FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-93-060
Wednesday
31 March 1993

Daily Report
East Asia

FBIS-EAS-93-060

CONTENTS

31 March 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Kantor 'Does Not Fully Grasp' Trade Policy *[KYODO]* 1
Hayashi Warns Dollar-Yen Trading Too Turbulent *[KYODO]* 1
Tarnoff Cited on Backing of Territorial Claims *[KYODO]* 1
G-7 Creditors Agree To Reschedule Soviet Debt *[KYODO]* 1
UNSC Meeting on DPRK Issue Said Inevitable *[Tokyo TV]* 2
Miyazawa Supports Sanctions Against DPRK *[Seoul Radio]* 2
ROK's Foreign Minister Arrives in Tokyo *[YONHAP]* 2
Group Seeks Rewriting of Constitution for SDF *[KYODO]* 2
Amnesty International Urges End to Executions *[KYODO]* 3
Ex-Im Bank Extends Untied Loan to Tunisia *[KYODO]* 3
Sources: Other Lawmakers Hold Bank Debentures *[KYODO]* 3
LDP Adopts Package of Political Reform Bills *[KYODO]* 4
Printing Firms Indicted on Bid-Rigging Charge *[KYODO]* 5
Miyazawa Pessimistic About Economic Growth Rate *[KYODO]* 5
Hayashi: Economy Improving in First Quarter *[KYODO]* 5
Diet Passes Fiscal 1993 National Budget *[KYODO]* 6
  Business Circles Laud Passage *[KYODO]* 6
  Passage 'Psychological Boost' *[KYODO]* 6
LDP's Mitsuzuka Favors Bigger Stimulus Plan *[KYODO]* 7
Ozaki: Budget for 1993 Should Boost Economy *[KYODO]* 7
Banks Decide To Disclose Nonperforming Loans *[KYODO]* 7
Doubts Remain on Eve of Financial Deregulation *[KYODO]* 8
National Corporations Targeted for Streamlining *[KYODO]* 9
'Resale' Prices To Be Liberalized on Products *[KYODO]* 9
Fuel Oil Demand Expected To Grow in FY93 *[KYODO]* 9

North Korea

Reaction to DPRK Nuclear Treaty Withdrawal Continues 9
  Envoy Requests U.S. 'Direct Dialogue' *[YONHAP]* 9
  IAEA: DPRK 'Violating' NPT Duties *[YONHAP]* 10
  U.S. Defense Head Comments Denounced *[KCNA]* 10
  Daily Warns U.S. on UN Involvement *[Pyongyang Radio]* 11
  2d 'Roundtable Talk' Held *[Pyongyang TV]* 12
KCNA Reports 28 Mar U.S., ROK Military Activity 17
Russian Radio: DPRK Economy Enters 'Blind Alley' *[Vladivostok Maritime Radio]* 17
DPRK Medical Chief Updates Yi In-mo's Condition *[KCNA]* 18
  People in South Send Gifts to Yi *[KCNA]* 19
ROK Defector to DPRK Praises Kim Chong-il *[KCNA]* 19
Choe Tae-pok Speaks at Party for Indian Party Leader *[KCNA]* 20
  Holds Talks With Party Leader *[KCNA]* 20
Official: Japan Must Settle 'Comfort Women' Issue *[KCNA]* 20
Delegation Holds Talks With Swedish Parliament Group *[Pyongyang Radio]* 21
Tanzanian Premier Meets DPRK Envoy 26 Mar *[KCNA]* 21
Meetings Convey Kim Chong-il's Message of Thanks *[KCNA]* 21
Bolshevik Communist Party Issues Statement *[KCNA]* 22
Pak Song-chol Greets '1,000-ri Journey' Marchers *[KCNA]* 22
KCNA Reviews 31 Mar Pyongyang Press 22

KCNA Review of 30 Mar Pyongyang Press 23

South Korea

Reaction to DPRK Nuclear Treaty Withdrawal Continues 24
    DPRK 'Prepared To Discuss' Issue *[Seoul Radio]* 24
    President Kim 'Optimistic' *[Seoul TV]* 25
    Kim 'Willing' To Improve Ties *[YONHAP]* 25
ROK To Send Group to Pyongyang on Tumen River Talks *[YONHAP]* 25
Trade, Industry Minister To Visit U.S. 11 Apr *[YONHAP]* 26
AMCHAM Korea Calls for Pressure To Open ROK Markets *[YONHAP]* 26
ROK-Born American Named Director of UN Information *[YONHAP]* 27
PRC's Electronics Exports Approach ROK Levels *[YONHAP]* 27
Daily Views SRV Potential as Major Trade Partner *[THE KOREA TIMES 31 Mar]* 28
Kim: Officials Will Not 'Get Rich' From Posts *[YONHAP]* 29
ROK To Replace Vice Minister-Level Officials 1 Apr *[YONHAP]* 29
Prosecutors Arrest Ex-Assemblyman Kim Mun-ki *[YONHAP]* 29
Reform Effects on Business Community Assessed *[YONHAP]* 29
Labor Ministry To Protect Foreign Employees *[YONHAP]* 30
DP Leader Yi Ki-taek Discloses Assets *[YONHAP]* 30
Defense Ministry Announces Conscription Measures *[THE KOREA HERALD 31 Mar]* 30
Heads of Science, Atomic Research Institutes Named *[THE KOREA TIMES 31 Mar]* 31
Business Indicators Show Signs of Slight Recovery *[YONHAP]* 31

SOUTHEAST ASIA

Burma

SLORC Increases Public Service Personnel Wages *[Rangoon Radio]* 32
Ministry Issues Order on Tax Exemption on Salary *[Rangoon Radio]* 33
Indian Delegation Arrives in Rangoon *[Rangoon Radio]* 33
    Drug Abuse Control Agreement Signed *[Rangoon TV]* 33
    Khin Nyunt Receives Indian Minister *[Rangoon Radio]* 33
Agriculture Minister, Delegation Leave for PRC *[Rangoon Radio]* 33
SLORC Names Eastern Area Commander as Army Chief *[Rangoon Radio]* 33

Brunei, Malaysia & Singapore

Malaysia

Peacekeeping Force To Go to Somalia in June *[BERNAMA]* 34
Mahathir Leaves for Visits to Uzbekistan, Iran *[BERNAMA]* 34
U.S Trade Figures Post 'Largest Growth' *[NEW STRAITS TIMES 29 Mar]* 34
Radio Urges ASEAN Commitment to AFTA *[Kuala Lumpur International]* 35
Central Bank Predicts 1993 Economic Growth *[Kuala Lumpur International]* 35
RTM, TV Asahi Sign Cooperation Agreement 30 Mar *[BERNAMA]* 36

Singapore

Cambodians Urged To Ensure Safety of UN Personnel *[THE STRAITS TIMES 30 Mar]* 36
Increase in Non-Oil Exports 'Impressive' *[BUSINESS TIMES 30 Mar]* 36

Cambodia

KR Radio Reports Grenade Attack in Phnom Penh *[Radio VGNUFC]* 37
UN Giving Armed Protection to Fleeing Vietnamese *[AFP]* 37
UN Spokesman Comments on Grenade Attacks *[AFP]* 37
Sihanouk Condemns Death of UN Peacekeeper *[AFP]* 38
    UNTAC: Government Alibi 'Groundless' *[AFP]* 38
Khmer Rouge Warn Sihanouk in Danger in Capital *[AFP]* 38
Khmer Rouge Leader Calls for New Bank Notes *[Radio VGNUFC]* 39

UNTAC Chief Warns of Election Campaign Violence *[Bangkok THE NATION 31 Mar]* 40
DK Leaders Oppose Sihanouk Endorsement of Loan *[Radio VGNUFC]* 41
Phnom Penh Troops Allegedly Attack FUNCINPEC *[Radio VGNUFC]* 42

Indonesia

Bangkok Paper Interviews East Timorese Representative *[Bangkok THE NATION 31 Mar]* 42
Paper Discusses Declining Prices of Paddy, Rice *[SUARA PEMBARUAN 15 Mar]* 44

Laos

Labor Minister, U.S. Official Discuss Refugees *[Vientiane Radio]* 45
Assembly Chairman Receives Thai, PRC Envoys *[Vientiane Radio]* 45
Houa Phan, Oudomsai Delegations Visit PRC, SRV *[Vientiane Radio]* 45
Cooperation Agreement Signed With SRV Province *[Vientiane Radio]* 46

Thailand

SAP Ministers Submit Resignation Letters *[Bangkok Radio]* 46
    Party Leader Clarifies Resignation *[Bangkok Radio]* 46
Air Force Commander on PRC Ties, April Visit *[XING XIAN RIBAO 26 Mar]* 46
Chatchai, Li Peng Discuss Road Link *[ZHONG HUA RIBAO 29 Mar]* 47
Prasong Views Closing of Cambodian Refugee Camp *[Bangkok Radio]* 47
    Cambodian Refugees Protest Closing *[BANGKOK POST 31 Mar]* 48
Prasong Sees 'Upheaval' After Cambodian Poll *[Bangkok Radio]* 48
General Meets UNHCR Official, Discusses Cambodia *[Bangkok Radio]* 48
Regional Human Rights Situation Viewed *[BANGKOK POST 28 Mar]* 49
Official: Video Producers Agree To Stop Piracy *[THE NATION 31 Mar]* 51
Premier Calls for Balanced Economic Policy *[BANGKOK POST 31 Mar]* 52
    Pledges To Continue Decentralization *[BANGKOK POST 31 Mar]* 53

Vietnam

Court Returns Guilty Verdict in 'Free Forum' Trial *[VNA]* 53
Assembly Chairman Meets Counterparts in Philippines *[VNA]* 54
Pham The Duyet Discusses Hanoi Development Issues *[Hanoi Radio]* 54
    Conclusion of Interview *[Hanoi Radio]* 55
Malaysian Envoy Interviewed on 'Firm' Relations *[Hanoi Radio]* 56
Boeing, Airbus Competing for SRV Market *[Bangkok BANGKOK POST 31 Mar]* 57
Minister of Light Industry Tours Region *[VNA]* 57

AUSTRALASIA

Australia

Foreign Minister Evans Leaves for Talks in U.S. *[Melbourne International]* 59
New South Wales MP's Say Republic 'Inevitable' *[AFP]* 59

New Zealand

McKinnon, Germany's Kinkel Discuss GATT, Issues *[Hamburg DPA]* 59

Japan

Kantor 'Does Not Fully Grasp' Trade Policy

OW3003234593 Tokyo KYODO in English 2305 GMT 30 Mar 93

[Text] Brussels, March 30 KYODO—Japan's ambassador to the European Community (EC) Commission on Tuesday accused U.S. Trade Representative Mickey Kantor of being out of touch with what is happening in the Uruguay Round of free trade talks. Ambassador Tomohiko Kobayashi made his remarks in response to Kantor's accusation that the Uruguay Round under the General Agreement on Tariffs and Trade (GATT) would not succeed "if Japan continues to behave as if it had little stake in the outcome."

Meeting the press Tuesday after two days of talks with senior EC officials, Kantor accused Japan of indolence and called on the United States' trade partners to "stop wasting time" debating whether the administration of President Bill Clinton stands for free trade or for protectionism.

"Mr. Kantor does not fully grasp what Japan's external trade really is nor the realities in the new round of trade talks," Kobayashi said.

Kobayashi said Japan is playing a major role in the Uruguay Round, citing its demand for fewer exceptions to free trade in the service sector than the U.S. or EC are seeking. The envoy also noted that Japan's "market access"—code for tariff cuts—is the widest in the world. Regarding the closed rice market, however, he said," we have to say 'no' definitely to what we cannot do."

Hayashi Warns Dollar-Yen Trading Too Turbulent

OW3103142993 Tokyo KYODO in English 1335 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Japanese Finance Minister Yoshiro Hayashi warned Wednesday the yen's move against the U.S. dollar is too turbulent, indicating authorities could concertedly intervene to stabilize the market. Hayashi, speaking before reporters Wednesday night, said there seems to be a considerable amount of speculative movement and that exchange rates ought to reflect fundamentals.

The dollar, which traded in the 116 yen level Tuesday, plunged below the 115.00 yen line for the first time in history. It was trading at a record low of 114.75 yen momentarily in london morning interbank trading.

The dollar's previous intraday record low was 115.10 yen, logged last week in London.

Tarnoff Cited on Backing of Territorial Claims

OW3103012993 Tokyo KYODO in English 0104 GMT 31 Mar 93

[Text] Washington, March 30 KYODO—A senior U.S. State Department official assured Japan on Tuesday that the administration of President Bill Clinton backs the Japanese claim in its territorial dispute with Russia. Japanese officials said Peter Tarnoff, undersecretary of state for political affairs, stated the U.S. position in a meeting with Japan's Deputy Foreign Minister Kunihiko Saito.

"We completely understand and support the Japanese position" over the disputed northern territories, Tarnoff was quoted as telling the Japanese envoy. The territories consist of four islands off eastern Hokkaido the Soviet Union seized at the end of World War II.

Japan has been reluctant to extend aid to Russia until the territorial dispute is resolved but has come under pressure to relax its stand in view of the political and economic crisis threatening Russian President Boris Yeltsin. Tokyo will host a hurriedly called meeting of foreign and finance ministers of the Group of Seven (G-7) industrial nations in mid- April to coordinate aid to Russia.

Stung by European criticism that Tokyo is holding up G-7 efforts to help Russia, Japanese officials have said that Japan has been doing its part in backing Yeltsin's efforts to introduce a market economy.

Saito conveyed the Japanese position to Tarnoff and told U.S. officials that Tokyo will back Yeltsin's reform efforts despite the territorial dispute. "Japan will not stand down in its position on the northern territories," Saito told U.S. officials.

Clinton has thrown his full support behind Yeltsin and is scheduled to meet the Russian president in Vancouver, Canada, on April 3 and 4. U.S. officials said Clinton will unveil a fresh aid package to Russia during the summit.

According to Japanese officials, the G-7 has not ruled out calling a special G-7 summit meeting to address the Russian aid issue, as proposed by French President Francois Mitterrand. The G-7 foreign and finance ministers will consider the special summit proposal when they meet in Tokyo on April 14 and 15, Japanese officials said.

G-7 Creditors Agree To Reschedule Soviet Debt

OW3103015793 Tokyo KYODO in English 2314 GMT 30 Mar 93

[Text] Tokyo, March 31 KYODO—A group of creditor nations have agreed to reschedule 16 billion to 17 billion dollars due at the end of this year in external debt of the former Soviet Union, the ASAHI SHIMBUN reported Wednesday. The agreement will be finalized at a meeting of the Paris Club of creditor nations scheduled for later this week, the major Japanese newspaper said.

Quoting a source at the Japanese Finance Ministry, the daily said Russia and Ukraine reached a compromise late last week to allow Russia to shoulder the external debt of all the former Soviet republics. Completion of the rescheduling plan will prompt the Group of Seven (G-7) economic powers and the International Monetary Fund (IMF) to extend additional financial assistance for Russia, it said.

G-7 finance and foreign ministers are to hold a meeting in Japan on April 14-15 to discuss a new aid package for Russia.

Another Japanese daily, the YOMIURI SHIMBUN, reported the same day that Japan plans to provide 5 billion to 6 billion dollars worth of new loans to Russia in the coming three years through an IMF facility. It said the new line of credit is designed to help Moscow improve its current account balance.

UNSC Meeting on DPRK Issue Said Inevitable

OW3103054293 Tokyo NHK General Television Network in Japanese 0300 GMT 31 Mar 93

[From the "NHK News" program]

[Text] Prime Minister Miyazawa refered to the issue of North Korea's announcement of its withdrawal from the Nuclear Non-Proliferation Treaty [NPT] at the upper house budget committee session today. Prime Minister Miyazawa indicated his view that it is inevitable to entrust the UN Security Council [UNSC] with the issue. In response to a question raised by Ms. Manae Kubota of the Social Democratic Party of Japan [SDPJ] about the Japanese Government's position at the emergency Board of Governors' meeting of the International Atomic Energy Agency to be held in Vienna today to discuss the issue of North Korea's announcement of its withdrawal from the NPT, Prime Minister Miyazawa said: The situation would become serious if North Korea should come to possess nuclear weapons. Our great concern is how we can avoid such a situation. He went on to say: Although we have been asking North Korea to reconsider, we have to study how we can avoid a future possible threat. In this way, Prime Minister Miyazawa indicated his view that it is inevitable to entrust the UNSC with the issue in an effort to have North Korea withdraw its announcement. At the same time, Prime Minister Miyazawa said that a door to North Korea's reconsideration should be kept open, thus indicating his hopes that China will persuade North Korea not to withdrawal from the NPT.

Miyazawa Supports Sanctions Against DPRK

SK3103100793 Seoul KBS-1 Radio Network in Korean 0930 GMT 31 Mar 93

[Text] Japanese Prime Minister Miyazawa has said that if the UN Security Council decides to impose sanctions against North Korea in response to its withdrawal from the Nuclear Nonproliferation Treaty, the Japanese Government would positively support it. Until now, he has assumed a prudent attitude about imposing strong sanctions with regard to the North Korean nuclear issue.

ROK's Foreign Minister Arrives in Tokyo

SK3103084393 Seoul YONHAP in English 0718 GMT 31 Mar 93

[Text] Tokyo, March 31 (YONHAP)—Foreign Minister Han Sung-chu arrived in Tokyo on Wednesday afternoon from a visit to the United Nations and Washington. He will have talks with Japanese Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe on Thursday to exchange views on North Korea's nuclear development and on improving bilateral relations.

Han is to explain why Seoul will not ask Tokyo to pay compensation to comfort women, and say that complete fact-finding on comfort women is essential to clear up past issues and build future-looking bilateral relations.

Han will seek a summit between Seoul and Tokyo at an early date to improve bilateral relations. "The Japanese Government also wants an early summit meeting, but they are afraid the past issues are again on agenda," a ministry official said.

"However, the summit between (President) Kim Yong-sam and Miyazawa is to be held before the summit between Kim and (U.S. President Bill) Clinton," he said.

Han is due to return to Seoul on Friday [2 April] afternoon.

Group Seeks Rewriting of Constitution for SDF

OW3103043493 Tokyo KYODO in English 0351 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Japan should revise its Constitution to legitimize the presence of its Self-Defense Forces as a military force, the leader of a political pressure group said Wednesday.

Kenichi Ohmae, a management consultant and the leader of a political group named Reform of Heisei, said during a CABLE NEWS NETWORK interview in Tokyo that Japan has one of the largest military forces in the world. "I think we have to rewrite the Constitution," Ohmae said.

Ohmae was referring to Article 9 of the Constitution which states that Japan forever renounces war and the threat or use of force as a means of settling international disputes. The article says "land, sea, and air forces, as well as other war potential will never be maintained."

Successive Liberal Democratic Party governments have interpreted this clause in the 1947 Constitution as not ruling out the country's right to self-defense.

Ohmae said this is "Japanese semantics. We have to get real in this," he said, "because we do have a military weapon and it is building up."

Amnesty International Urges End to Executions

OW3003235093 Tokyo KYODO in English 2307 GMT 30 Mar 93

[Text] London, March 30 KYODO—Amnesty International urged Japan on Tuesday to immediately suspend all executions in that country. In response to reports of the hanging of three men last week, the London-based human rights group issued a statement expressing concern that further executions in Japan may be imminent.

"Amnesty International opposes the death penalty in all cases, on the grounds that it constitutes the ultimate form of torture and inhuman treatment and that it is a violation of the right to life," the statement said. Amnesty also urged Japan to stimulate public debate on the abolition of the death penalty and called for conducting a public opinion poll on the subject.

Ex-Im Bank Extends Untied Loan to Tunisia

OW3103142393 Tokyo KYODO in English 1320 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—The Export-Import [Ex-Im] Bank of Japan on Wednesday extended up to 120 million dollars in an untied direct loan to Tunisia to support its economic reform process. The loan will be provided in cofinancing with the World Bank's 250 million dollar economic and financial support loan to Tunisia.

The bank said the loan is aimed at facilitating economic reform programs that Tunisia has been undertaking since 1986 in cooperation with the International Monetary Fund (IMF) and the World Bank to open and privatize its economy.

Sources: Other Lawmakers Hold Bank Debentures

OW3003164093 Tokyo KYODO in English 1500 GMT 30 Mar 93

[Text] Tokyo, March 30 KYODO—Several incumbent and retired lawmakers have purchased discount bank debentures, the financial instruments disgraced political godfather Shin Kanemaru allegedly used to evade paying income taxes, Nippon Credit Bank sources said Tuesday.

The sources did not identify members of the group but said it comprises seven or eight politicians—about the same number of ruling and opposition party members. Incumbent cabinet ministers and senior party officials are not in the group, the sources said.

A retired opposition party politician is among the legislators who reportedly hold the discount bank debentures issued by Nippon Credit Bank, one of Japan's three long-term credit banks, the sources said.

The sources also said former Prime Minister Noboru Takeshita also once kept the financial instruments, which Kanemaru allegedly used to duck more than 1 billion yen in income taxes, under the name of his political organization. Kanemaru, 78, faces charges that he evaded a total of 1.04 billion yen in taxes on 1.85 billion yen in undeclared income between 1987 and 1989.

The former don of Japanese politics was released from a detention house Monday on bail of 300 million yen after 23 days of investigation into his suspected tax evasion. The revelation came two days before Seishi Matsuoka, president of Nippon Credit Bank, is scheduled to testify before the Diet on Thursday as an unsworn witness over Kanemaru's alleged tax evasion.

Two other businessmen will also appear in the Diet on the same day to give unsworn testimony on the case and a separate scandal.

The sources said the legislators hold discount bank debentures ranging in value from several million yen to several tens of million yen.

The sources said that of the legislators in the group, the retired opposition lawmaker alone holds about 30 million yen in discount bank debentures. Many of the others reportedly have their debentures in safe deposit boxes at Nippon Credit Bank, they said.

Takeshita purchased the financial instruments worth about 300 million yen through one of his political organizations sometime around 1990 and redeemed them one year later, the sources said. The ex-premier apparently only purchased the discount debentures at that one time since there were no bank records documenting the transactions, the sources said.

Discount bank debentures may potentially be used to evade taxes since they do not have to be registered in the name of the bearer.

The Tokyo district public prosecutors office became aware that lawmakers may be holding Nippon Credit Bank debentures after reviewing documents voluntarily submitted by the bank, prosecution sources said.

Tax authorities, working from the same documents, are expected to compare the amount of income declared by each of the legislators with the balance sheets documenting their political funds, sources close to the authorities said.

The Nippon Credit Bank sources also said Rekiji Kobari, 79, chairman of the Fukushima Kotsu Group of companies who allegedly advised Kanemaru to buy the discount bank debentures, purchased a small amount of the financial instruments from the long-term credit bank about 10 years ago. "Judging by his recommendation that Kanemaru purchase the debentures and his close ties with the bank, the amount is too small and therefore unnatural," a source said.

Nippon Credit Bank reportedly did not make a list of clients who bought large-lot discount bank debentures. It voluntarily submitted to the Tokyo district public prosecutors office record slips and other documents bearing the names of politicians who bought the financial instruments, the sources said.

The bank said it has no knowledge about whether the lawmakers used discount bank debentures to divert income tax.

Takeshita's office has said the former premier's political organization purchased debentures but that Takeshita himself did not buy the financial instruments.

Kanemaru is suspected of siphoning off some of the covert donations he allegedly took from companies, mostly in the construction sector, to amass billions of yen worth of personal fortune in discount bank debentures, gold ingots, stocks, cash and real estate, according to investigative sources.

Since his arrest March 6, prosecutors have uncovered a hidden cache of anonymous financial instruments and other hard-to-trace assets at Kanemaru's homes and offices.

Kanemaru quit politics in disgrace in October after he admitted taking an illicit political contribution of 500 million yen from Tokyo Sagawa Kyubin Co., a now-defunct trucking company at the center of a separate scandal.

LDP Adopts Package of Political Reform Bills

OW3103051493 Tokyo KYODO in English 0448 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Prime Minister Kiichi Miyazawa's ruling Liberal Democratic Party (LDP) on Wednesday approved a package of four political reform bills to tighten controls on political funds and introduce single-seat constituencies to general elections for the House of Representatives. The LDP, which will soon table the bills in the Diet, came up with the package in the face of public outrage over a major money-and-mob scandal which led to the downfall last year of political power broker Shin Kanemaru.

The country's two largest opposition parties, the Social Democratic Party (SDP) and Komeito, are set to jointly release Thursday an alternative package of five political reform bills which calls among other things for introducing a mixture of the single-seat system and proportional representation.

Miyazawa strongly hopes to win enactment of the political reform bills during the current 150-day session of the Diet, which ends on June 20, LDP officials said.

The LDP said its package would help clear up money-dominated politics in Japan and eliminate alleged shortcomings in the electoral system. Prior to its release to the public, the four bills were endorsed by the governing party's decision-making body, the Executive Council.

The centerpiece of the package is a bill for revising the Public Offices Election Law, calling for reducing the size of the lower house from present 511 to 500 and introducing the single-seat constituencies. Opposition parties are suspicious of the bill, charging that it will give greater advantages to the LDP, which has been in power uninterruptedly since 1955.

The LDP says the single-seat system will alleviate the defects of the current multiseat-constituency electoral system by easing the need of conservative candidates to raise huge amounts of campaign funds to survive competition from rivals from the same party.

The bill also calls for penalties on violators found to have rigged elections, including family members, relatives and secretaries of candidates. Candidates whose campaigns violate the law would be subject to a five-year ban on running again in elections and their election victories annulled.

The second bill would establish a seven-member panel to redraw electoral constituencies, with panelists who would not be politicians but whose selection would be subject to approval by the lower chamber.

Concerning political funds, the third bill would ban business firms, organizations and individuals from directly donating to individual politicians, but allowing such donations to political parties and to a maximum of two fund-raising organizations run by any single politician or candidate.

Political parties would be authorized to give campaign funds to politicians who belong to the parties, according to the bill.

The tightening of controls on political funds follows the arrest earlier this month of Kanemaru, former LDP vice president, who was charged with evading over 1 billion yen in income tax between 1987 and 1989. Kanemaru, who was regarded as leader of the LDP's public works projects lobby, allegedly amassed a huge personal fortune by siphoning off donations from companies, mainly construction firms, seeking favors in public works allocations.

Kanemaru is also linked to the Tokyo Sagawa Kyubin scandal, which involved a now deceased gang boss allegedly helping former Prime Minister Noboru Takeshita gain power. Kanemaru resigned from the Diet last October after being fined 200,000 yen for accepting 500 million yen in illicit political donations from the Tokyo Sagawa Kyubin parcel delivery firm.

The same bill would also allow firms, labor unions and other organizations to donate to political parties amounts ranging from 15 million yen to 200 million yen in any one year. Another provision would limit to

240,000 yen the annual amount of donations which business firms and labor unions could give to politicians' fund-raising organizations.

Politicians who receive a suspended jail term for violating the Political Funds Control Law would be barred from running in public elections while the sentence is suspended.

The fourth bill proposes giving government subsidies to any political party contesting elections, provided the party has at least five legislators in either chamber of the Diet or if it has garnered 3 percent or more of the valid votes cast in the most recent national election. The subsidies would be provided by dividing up a pool of budgetary funds—whose size will be calculated by multiplying Japan's population by 250 yen—in proportion to the number of votes obtained by each party in the most recent election.

Printing Firms Indicted on Bid-Rigging Charge

OW3103122993 Tokyo KYODO in English 1214 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Prosecutors indicted four printing companies Wednesday for allegedly rigging bids to make special peel-off stickers for used on social insurance agency postcards. This is the second time prosecutors have targeted corporations with indictments charging violations of the Antimonopoly Law, following charges filed in 1991 against eight major plastic wrapper makers for suspected involvement in a price-fixing cartel.

The four companies indicted by the Tokyo high public prosecutors office are industry leader Dai Nippon Printing Co., Toppan Moore Co. and Hitachi Information Systems Ltd., all based in Tokyo, as well as Kobayashi Kirokushi Co., based in Kariya, Aichi Prefecture.

Wednesday's indictments came after the Tokyo District Public Prosecutors Office brought antimonopoly charges against officials of the four printing companies in November. According to the indictments, the companies decided possibly in late April 1992 to rig in May and September of the same year five bids for social insurance agency contracts to print about 167 million of the peel-away stickers.

They allegedly split tenders for 1.59 billion yen, about 490 million yen higher than the price should have been, the indictments said.

The four printing companies continued rigging bids for sticker contracts and acted to conceal the rigging even after the Fair Trade Commission (FTC) in April 1992 ordered them to disband a bid cartel on magnetic cards for use as highway passes, prosecution officials said. As a result, the watchdog agency filed a criminal suit in February with the public prosecutor general alleging that the four companies violated the antimonopoly law by rigging bids.

It prompted the Tokyo District Public Prosecutors Office, following a directive from the Tokyo High Public Prosecutors Office, to question executives of the printing companies.

On Tuesday, the Tokyo district court sentenced a Hitachi information systems employee to 18 months in prison and another to 12 months, both suspended for three years, for rigging bids for contracts to make the peel-off stickers.

Miyazawa Pessimistic About Economic Growth Rate

OW3103070593 Tokyo KYODO in English 0628 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Prime Minister Kiichi Miyazawa expressed pessimism Wednesday about Japan attaining its 1.6 percent economic growth target for fiscal 1992 ending the same day.

"Japan's economy should have grown at an annualized rate of 13 percent in the January-March quarter to accomplish the growth target, and I don't think such a growth rate was recorded during the period," Miyazawa told the House of Councillors budget committee. Miyazawa told the session the government will try to avoid miscalculating the nation's growth target again.

Hayashi: Economy Improving in First Quarter

OW3103144393 Tokyo KYODO in English 1424 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Japanese Finance Minister Yoshiro Hayashi said Wednesday he expects the nation's economy to improve in the first quarter this year, compared with the October-December period thanks to increased public works spending. Better figures are appearing for the auto industry, consumption of electricity, and machinery orders, he said.

But Hayashi, speaking at a press meeting after the fiscal 1993 budget was approved by the Diet on Wednesday night, said the economy is still in bud rather than blooming. There is still a chance the economy could dip again, but basically things are getting better, he said.

Hayashi said he is relieved the budget made it through the Diet before the new fiscal year begins Thursday—the first time this has happened in 22 years. He said that this shows how widely and seriously people view the need to do something about the slowdown in the nation's economy.

The finance minister, however, refrained from specifically commenting on possible pump-priming measures expected to be announced soon by the ruling Liberal Democratic Party (LDP).

Hiroshi Mitsuzuka, chairman of the LDP's Policy Affairs Research Council, said Wednesday in Sendai the new package will be larger than the previous 10.7 trillion yen program announced last August.

Meanwhile, Hayashi was pessimistic that the Japanese Gross National Product (GNP) in fiscal 1992 would achieve its already downward revised goal of 1.6 percent annual growth.

Diet Passes Fiscal 1993 National Budget

OW3103120093 Tokyo KYODO in English 1142 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—The fiscal 1993 national budget intended to stimulate the Japanese economy was adopted by the Diet on Wednesday, just hours before the new fiscal year begins, amid lingering concerns over the prolonged economic slump. With the 72.35 trillion yen budget becoming law, attention is now being focused on additional government pump-priming measures to bail the economy out of one of its worst downturns in the postwar era.

Although the measure was voted down in the House of Councillors, where opposition parties hold a majority, the budget was enacted under a constitutional provision which gives the House of Representatives priority in making budget decisions. The lower house, which is controlled by the ruling Liberal Democratic Party, approved the budget March 6.

The fiscal 1993 budget, the first since 1971 to pass the Diet in time, allocates a sizable amount of funds to public works projects despite the overall belt-tightening required by the sagging economy which dampened tax revenues. The 1993 budget was only 0.2 percent larger than the initial fiscal 1992 budget, the smallest growth since fiscal 1987.

General operating expenditures—the core of the budget financing social welfare, defense and other government policies—also grew only a conservative 3.1 percent to 39.92 trillion yen. While other parts of the budget made even more modest increases or cuts from the current year, public works spending increased a brisk 4.8 percent to 8.57 trillion yen.

Despite the massive outlays for measures to boost the economy, however, economists have long been clamoring for a program of extra large-scale pump-priming moves to bring new life into the anemic economy. The call for such a package came even before the government formulated its draft budget in late December.

As expected, the government plans to soon announce new economy-stimulating measures on a scale even larger than the 10.7 trillion yen announced last August, before Prime Minister Kiichi Miyazawa visits Washington on April 15.

Business Circles Laud Passage

OW3103120193 Tokyo KYODO in English 1146 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—The Japanese business community Wednesday welcomed the early passage through the Diet of the fiscal 1993 national budget, featuring sizable boosts in economic stimulative outlays despite the severe state of the state coffers.

With the 72.35 trillion yen budget enacted, business leaders urged the government to make an expected new pump-priming package gargantuan in scale, even bigger than the 10.7 trillion yen fiscal package announced last August which has failed to pull the economy out of its worst downturn in the postwar era.

Gaishi Hiraiwa, chairman of the influential Federation of Economic Organizations (Keidanren), said, "it is laudable that the budget has become law before the new fiscal year begins." This is the first time since 1971 that a budget has passed the Diet prior to the new fiscal year, which begins April 1.

Masaru Hayami, chairman of the Japan Association of Corporate Executives, also hoped the budget would have "cheering effects" on business sentiment. While curbing growth in most items, the fiscal 1993 budget allots a brisk 4.8 percent more in outlays than in the current fiscal year to public works projects, considered as one of the most effective ways of stimulating the economy.

Business leaders have already shifted their attention to the additional economic package expected to be unveiled April 13. "We need a rather big-scale stimulative program," said Takeshi Nagano, president of the Japan Federation of Employers Associations.

Hiraiwa also demanded the new economic package cover many areas, ranging from housing-related tax incentives to upgrading new types of infrastructure like telecommunications networks.

Passage 'Psychological Boost'

OW3103144793 Tokyo KYODO in English 1432 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—The passage of the fiscal 1994 national budget on the eve of fiscal 1994 should provide a psychological boost to the economy, Prime Minister Kiichi Miyazawa said Wednesday. It was the first time in 22 years that the budget has been passed before the fiscal year starts. The budget was passed Wednesday and the new fiscal year starts Thursday.

Miyazawa told reporters he hopes the public will be delighted that the Diet accepted the seriousness of the economic slowdown to act with unusual speed. "The passage should have a psychologically favorable influence on the economy," he added.

Miyazawa also said the cabinet must pay careful attention to economic trends in administering policy.

Seiroku Kajiyama, secretary general of the ruling Liberal Democratic Party, called it remarkable that the budget passed within the current fiscal year. "Such early passage, the result of collaboration among the ruling party and opposition parties, both of which place a priority in combating the recession, should provide a sizable kick to the economy," he said.

LDP's Mitsuzuka Favors Bigger Stimulus Plan

OW3103081693 Tokyo KYODO in English 0757 GMT 31 Mar 93

[Text] Sendai, March 31 KYODO—A key Liberal Democratic Party policymaker said Wednesday the ruling party agreed that a new fiscal stimulus package must be bigger than the record 10.7 trillion yen package adopted last August.

Hiroshi Mitsuzuka, chairman of the LDP's Policy Affairs Research Council, did not specify at a press conference here the exact size of the projected package. He said the package will focus on projects such as social welfare-related facilities and optical fiber telecommunications networks rather than traditional road and civil engineering projects.

Mitsuzuka said the ruling party seeks to use the government's fiscal investment and loan program, known as "zaito," to finance the new economic package. He indicated the ruling party wants to expand the scope of goods which can be purchased on construction bonds to include personal computers and equipment, adding that the party is holding negotiations on a new type of government bond.

Mitsuzuka declined to talk of tax cuts as a possible means to rev up the sluggish economy, but noted that many party members are against income tax cuts in the form of rebates. His comments indicate that tax reductions would be limited to housing investment and policy-related projects under the new economic package.

Ozaki: Budget for 1993 Should Boost Economy

OW3103105293 Tokyo KYODO in English 1036 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Vice Finance Minister Mamoru Ozaki said Wednesday the fiscal 1993 budget, expected to pass the Diet later in the day, should provide a good boost to the slumping economy. Ozaki, speaking before reporters at a press conference, indicated he may have further information shortly on additional pump-priming measures.

The vice minister reiterated his position of opposing a reduction in income taxes, citing the tax cut's questioned effectiveness in stimulating consumption, as well as problems that would arise with such a measure under the current tax system.

Hiroshi Mitsuzuka, chairman of the ruling Liberal Democratic Party's Policy Affairs Research Council, said Wednesday that the party is considering introducing a pump-priming package greater than last August's 10.7 trillion yen program.

Commenting on the announcement of purchased debts by a joint financing company launched earlier this year by financial institutions to liquidate nonperforming loans, Ozaki said the firm's operations have been significant. He said he hopes the vehicle will further contribute to stabilizing Japan's financial system. The debt-purchasing vehicle announced Wednesday that it acquired credits worth 681.7 billion yen from its member financial institutions for 452.1 billion yen in March.

Ozaki said smaller institutions also took part in the liquidation scheme, despite earlier arguments that they would not have sufficient stamina to take part in the program.

According to the Finance Ministry, nonperforming loans carried by 21 major commerical banks totaled over 12 trillion yen at the end of September. Ozaki said he does not think the latest purchase was too little compared with the size of the total nonperforming loans, arguing not all such loans will be liquidated through the scheme and the 681.7 billion yen was not far from what he had been anticipating.

Turning to the issue of aid to Russia, Ozaki said progress is being made among the Paris Club of creditor nations to reschedule Russia's huge foreign debts. He said a solution to that issue is necessary for new money to be supplied to the republic.

No reference was made to any specific assistance the Group of Seven (G-7) major economies might make soon to Moscow.

On domestic affairs, Ozaki said despite some late declines in Tokyo stock prices, optimism about Japan's economic recovery is supporting the firmness of market conditions in general. On Wednesday, the U.S. dollar plummeted more than a yen in Tokyo from its previous day's closing but Ozaki said that was not due to any special reasons.

Banks Decide To Disclose Nonperforming Loans

OW3003114793 Tokyo KYODO in English 1052 GMT 30 Mar 93

[Text] Tokyo, March 30 KYODO—The Federation of Bankers Associations of Japan decided Tuesday to disclose the amount of nonperforming loans extended by its member banks to make their financial position clearer to the public, federation officials said. The disclosure will be made via financial statements or bulletins to be published for this fiscal period ending March 31, the officials said.

The banks will announce bad loans whose capital is deemed uncollectable and also those with interest payments in arrears for more than six months. The officials said all member banks will be asked to disclose their uncollectable nonperforming loans but only major commercial banks, or city banks, long-term credit banks and trust banks will announce the amount of loans in arrears.

Tsuneo Wakai, head of the federation, said the step will help each bank boost considerably the "transparency" of its management prowess. Noting that critics say the measures are not enough, Wakai said the banking group will consider additional steps in line with the need to maintain a credible and orderly financial system.

Doubts Remain on Eve of Financial Deregulation

OW3103055893 Tokyo KYODO in English 0512 GMT 31 Mar 93

[By Kohei Murayama]

[Text] Tokyo, March 31 KYODO—Long-awaited deregulation in Japan's financial world kicks off Thursday [1 April] when banks, trust banks, and brokerages will be allowed to enter each other's turf through subsidiaries, but many experts predict a low-key start. The experts say the two key aims behind the government's reforms of the financial system—improving services for customers and paving the way for foreign concerns to enter Japanese financial markets—are unlikely to be achieved in the short term.

With the economy still in a slump, the three sectors are reluctant to commit themselves to major expansion into already-flooded markets. And the Ministry of Finance is keeping them on a tight reign to prevent excessive competition, the experts say.

"We cannot expect user convenience to be much better, at least for now," Ryuichiro Tachi, an honorary professor at the University of Tokyo who headed a reform task group, told KYODO News Service. "I believe that mutual entry should be promoted as widely as possible by abolishing Article 65 of the Securities and Exchange Law," he said. The article provides for the separation of the banking and securities industries.

Tachi said ministry intervention could lead to a loss of "international transparency by warping the reform."

Japan's reform has been limited to establishing subsidiaries, with the securities industry strongly objecting to calls by major banks for European-style universal banking.

Takashi Kumon of DKB Research Institute said European banks are expected to be more critical of Japan's reform, which has more in common with the U.S. system of setting up holding companies.

But foreign concerns already get special government consideration in entering other businesses, and "it's better than nothing for them," he said. The institute is an affiliate of the Dai-Ichi Kangyo Bank, one of Japan's 11 major commercial banks.

"But I doubt anything will change (for the Japanese side) with financial reforms that are full of regulations."

Commercial banks will not be allowed to establish subsidiaries until about a year after long-term credit banks and brokerages. Financial sources insist excessive competition would lead to disadvantages such as lower deposit and higher loan rates, and the subsidiaries might sustain huge losses.

They said the chances of such a scenario are greater with the remaining regulations—especially for banks' securities subsidiaries, which are restricted from stock broking and using bank branch networks under the so-called "fire wall." The ministry strongly insisted on the fire wall to prevent leakage of confidential information and to cap banks' power over corporate customers in the wake of a series of financial scandals.

In addition, the ministry wants all subsidiaries to become profitable in three years.

Kumon said, "Japanese concerns are unlikely to repeat the widely criticized strategy of increasing dealings at the cost of low profit margins, and there are indeed only few plans of establishing subsidiaries in the short term."

An executive at a major commercial bank, who spoke on condition of anonymity said, "not all group companies will become customers of long-term credit banks' subsidiaries just because of the yearlong delay (for commercial banks)."

His confidence underscores the strong power financial institutions hold over group companies to which they extend huge loans. "In the medium- to long-term, meanwhile, the overall financial system will move toward reform," Tachi said.

DKB's Kumon said along with the ongoing deregulation of interest rates and securities commissions, allowing banks to underwrite securities will help build up the primary market with lower issue costs for companies.

In the investment trust business limited to securities companies, two city banks—Fuji Bank and Sakura Bank—plan to make their debut through affiliates.

The Industrial Bank of Japan, the long-term credit bank of Japan, and Norinchukin Bank, or the Central Bank for Agriculture and Forestry, will apply to set up securities subsidiaries. If approved, they will start operating at the same time in June.

Sumitomo Trust and Banking Co. also is preparing to apply for a brokerage subsidiary.

Those planning to establish trust banking subsidiaries include the Bank of Tokyo in April, and the "big four" securities companies—Nomura, Daiwa, Nikko and Yamaichi—in fiscal 1993 that starts Thursday. Other institutions may eventually follow suit to trigger a survival game in the still-lackluster economy as the government eases its grip due to increasing foreign pressure and ongoing global deregulation.

Tachi said, "regulations should be abolished as soon as possible...and we should not lose sight of the reform's principles."

National Corporations Targeted for Streamlining

OW3103120593 Tokyo KYODO in English 1153 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—A government advisory panel plans to urge the government to streamline 34 national corporations as part of its administrative reform, according to its draft interim report obtained by KYODO News Service on Wednesday. The ad hoc commission on administrative reform cites 34 public bodies, including the Japan Highway Public Corporation and the Environmental Sanitation Business Financing Corporation.

The commission also urges that six government enterprises, including postal savings, be reviewed. It is expected to publish the report next Tuesday.

The council says these corporations should be streamlined as they have largely lost their social significance and can be managed under the leadership of private concerns.

The committee, chaired by Eiji Suzuki, former president of the Japan Federation of Employers' Associations, is expected to submit its final report to the prime minister this fall. The panel calls for discussions on joint hiring of fresh university graduates by several ministries and agencies to correct the current vertical division among them.

Also, the report calls for discussions on transferring to the cabinet from the Finance Ministry the right to draw up the state budget.

To strengthen the function of the cabinet in adjusting the policies of each ministry and agency, the panel also recommends discussing whether it is necessary to revise the cabinet act.

'Resale' Prices To Be Liberalized on Products

OW3003115493 Tokyo KYODO in English 1059 GMT 30 Mar 93

[Text] Tokyo, March 30 KYODO—The Fair Trade Commission will liberalize resale prices of 13 cosmetics and 10 drugs, including shampoos, rinses, antihistamines, and cough control agents, starting Thursday [30 March].

The liberalization follows the withdrawal of permission to set the suggested retail prices on the items, the first such step since 1973, the commission said. Stores operated by foreign manufacturers and discount shops have already started discount sales of these items, triggering price competitions.

The commission said resale prices of 14 other cosmetics items and 14 drugs, including lipsticks, hair treatment agents, eye drops and intestinal drugs will be reviewed by the end of 1998. It said a study will be made on prices of newspapers, magazines, books, compact disks and phonographic records.

Fuel Oil Demand Expected To Grow in FY93

OW3103144493 Tokyo KYODO in English 1318 GMT 31 Mar 93

[Text] Tokyo, March 31 KYODO—Demand for fuel oil in fiscal 1993 is expected to inch up 0.1 percent from the previous year for the lowest growth in eight years, the Ministry of International Trade and Industry (MITI) said Wednesday. Demand for the fiscal year starting April 1 is estimated at 1,430.46 million barrels, against 1,429.63 million barrels for fiscal 1992, MITI officials said.

Fuel oil demand is expected to continue growing in fiscal 1993 for the eighth consecutive year since fiscal 1986 but the pace of growth will be the lowest since a year-on-year decline in fiscal 1985, they said. Annual demand for fuel oil is expected to grow by 1.0 percent a year during fiscal years 1993 to 1997, a downward revision of a 1.6 percent annual rise projected last March for the fiscal 1992 to 1996 period, they said.

Also Wednesday, a Committee of the Petroleum Council, gave approval to the Trade Ministry's petroleum supply program for the fiscal 1993 to 1997 period based on demand prospects. The council is an advisory body to the MITI minister.

Demand for gasoline, kerosene, jet and gas oil is expected to steadily rise in five years. Demand for fuel oil used in electric power stations is likely to drop due mainly to an increase in nuclear power plants, they said.

Meanwhile, imports of fuel oil in fiscal 1993 are expected to decrease by 2.6 percent from the previous year to 196.25 million barrels. But such imports are expected to show an average annual increase of 3.8 percent for the fiscal 1993 to 1997 period, they said.

The amount of crude oil to be domestically processed is forecast to mark an average yearly growth of 0.5 percent in five years, they said.

A target of petroleum reserve for the fiscal 1994 to 1997 period is set at levels to meet demand of 70 days for each fiscal year, the officials said. For fiscal 1994, the targeted reserve is calculated at 249.83 million barrels.

North Korea

Reaction to DPRK Nuclear Treaty Withdrawal Continues

Envoy Requests U.S. 'Direct Dialogue'

SK3103112193 Seoul YONHAP in English 1108 GMT 31 Mar 93

[Text] Tokyo, March 31 (YONHAP)—North Korean Ambassador to Russia Son Song-pil said in Moscow on

Tuesday his country wishes to have direct dialogue with the United States to resolve the nuclear issue involving Pyongyang's withdrawal from the Nuclear Nonproliferation Treaty (NPT), the newspaper MAINICHI SHIMBUN of Japan reported from Moscow Wednesday.

In an exclusive interview with MAINICHI's Moscow bureau, Son reiterated the North Korean assertion that it does not intend nor has the ability to develop nuclear weapons.

He rather claimed that he understands South Korea has reached the final stage of nuclear development.

Saying that nobody mentions about sanctions against Israel or South Africa for their nuclear weapons development, the North Korean ambassador argued that "the United States is seeking to destroy our country's system taking advantage of the nuclear suspicion."

Son said his country had decided to withdraw from the NPT as a means of safeguarding the interests of Third World countries.

"The International Atomic Energy Agency (IAEA) can hardly be said to be fair because it is on the side of the U.S.," Son said. "The nuclear issue can be resolved only through talks with the U.S. no other country can step in the question."

Threatening that if the U.N. Security Council resorts to sanctions against North Korea, his country would take resolute steps of self-defense to counter them.

"Sanctions would only further complicate the matter rather than resolving it," he said.

Son also said the U.S. and European countries have already begun to take economic sanctions against North Korea, but they failed to affect his country at all.

As such sanctions, he cited COCOM (Coordination Committee for Export to Communist Area) control and freezing of deposits taken by the U.S. last year.

"Even if sanctions were taken in the military area, North Korea is battle-ready. We won't be the first to unleash it, but once a war breaks out, we would strike back," he said.

IAEA: DPRK 'Violating' NPT Duties

SK3103005593 Seoul YONHAP in English 0719 GMT 31 Mar 93

[Text] Vienna, March 30 [date as received] (YONHAP)—The International Atomic Energy Agency (IAEA) has virtually designated North Korea a nation that has violated various regulations of the Nuclear Nonproliferation Treaty (NPT).

The designation was made in a report by Hans Blix, IAEA director-general, unofficially distributed on Tuesday to the Board of Governors prior to a special board meeting to be convened Wednesday.

North Korea was either violating NPT regulations or failing to carry out its duty as a signatory of the treaty. As a result, the IAEA was no longer able to check the abuse of nuclear materials by North Korea, the report said.

Specifically, Blix said North Korea was violating its duties as a signatory of the NPT in cooperation (article 3), fulfillment of resolutions adopted by the board (article 18), duty to accept temporary inspections (article 71) and duty to allow special inspections (articles 73 and 77).

The Board of Governors will formally hear Blix's report at Wednesday's special meeting and is expected to adopt a resolution officially designating North Korea a nonfulfilling member of the NPT.

The board will then notify all IAEA member nations of the resolution and report to the United Nations Security Council in accordance with the IAEA Charter and the NPT.

The report to the U.N. Security Council will come immediately after adoption of the resolution. The Security Council will then put the issue on its agenda for discussions within one to two weeks.

In this connection, China still opposes any IAEA move to refer the North Korean issue to the Security Council. But if a resolution is tabled at the board meeting, it is highly likely that China will abstain rather than voting no, informed sources said.

Meanwhile, North Korea sent a message in the name of Choe Hak-kun, minister of the Atomic Energy Industry, to Blix saying that it will reject all resolutions to be adopted by the IAEA Board of Governors. It also reaffirmed its position that it will not accept special inspections of North Korean nuclear facilities.

Most IAEA governor nations had hoped North Korea would change its position before the special meeting on Wednesday, but chances now appeared to be very slim for Pyongyang to do so, the informed sources said.

At Wednesday's meeting, North Korea is expected to be represented by Kim Kwang-sop, ambassador to Vienna.

U.S. Defense Head Comments Denounced

SK3103053293 Pyongyang KCNA in English 0515 GMT 31 Mar 93

["MINJU CHOSON on Rigmarole of U.S. Defense Secretary"—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—MINJU CHOSON Wednesday hits out at the blasts of U.S. brasshats revealing the intention to maintain U.S. Forces in South Korea.

U.S. Defense Secretary Aspin assured the South Korean "foreign minister" that there would be no change in the U.S. "security commitments" to South Korea and the U.S. Army Chief of Staff drivelled that the U.S. forces must be left in South Korea till the situation on the "Korean peninsula is stabilised."

The analyst says:

It is the invariable intention of the United States to stifle our republic and establish its political and military domination over the Asia-Pacific region by keeping hold on South Korea as its nuclear forward base and military bridgehead.

The U.S. ruling circles, spreading false rumors about "suspicion of nuclear development by the North," are contending that the situation on the Korean peninsula has been destabilised by the self-defensive measure of the DPRK in withdrawing from the Nuclear Nonproliferation Treaty. This is a hokum to find a pretext to justify the occupation of South Korea by the U.S. Forces.

The United States disclosed its intention invariably to hursue the cold war policy on the peninsula when it reaffirmed its "security commitments" to the South Korean authorities while keeping its forces in South Korea.

Peace and security on the Korean peninsula entirely depends upon the United States.

If the United States mean what it says about peace and arms cut, it must pull its forces and nuclear weapons out of South Korea.

Daily Warns U.S. on UN Involvement

SK3003141293 Pyongyang Korean Central Broadcasting Network in Korean 0020 GMT 29 Mar 93

[NODONG SINMUN 29 Mar commentary: "The United States Can Never Shirk Its Responsibility"]

[Text] Fifteen days have passed since our republic declared the withdrawal from the Nuclear Nonproliferation Treaty [NPT]. The world's peace-loving people, who treasure justice, peace, and fair international public opinion, have assessed our decision to withdraw from the NPT as an exercise of our right to self-defense and expressed support for and sympathy with the decision. They have determined correctly that the ringleader who forced us to withdraw from the NPT is none other than the United States.

Nevertheless, strangely enough, some countries are making unwarranted remarks that our withdrawal from the NPT is not an issue that the DPRK and the United States should solve but a political issue that we and the international community should solve. This is a wrong assertion by those who do not know the motive behind our withdrawal from the NPT and the peculiar situation on the Korean peninsula.

The main reason we had to withdraw from the NPT is because of the United States' nuclear threat manuevers to obliterate our republic. The United States has been flagrantly threatening us with nuclear weapons, contradicting the purpose of our joining in the treaty, while keeping its many nuclear weapons deployed in South Korea. In particular, the United States resumed the Team Spirit joint military exercise—which it had suspended before we received the International Atomic Energy Agency's [IAEA] inspections—while we were receiving the inspections. Thus, the U.S. nuclear threat against us led to an extreme situation.

The United States originally attempted to open our ordinary military bases through the North-South Joint Nuclear Control Committee. Finding it impossible to achieve this, the United States began to threaten us with the decision to resume the Team Spirit joint military exercise and simultaneously openly meddled in the IAEA's inspections of us.

It is an undeniable, stern reality that the Team Spirit joint military exercise is a nuclear war exercise designed to launch a preemptive nuclear strike against us. As a matter of fact, the United States mobilized a great deal of nuclear war equipment for the Team Spirit-93 joint military exercise. It stubbornly and frantically attempted to suffocate our republic and to destroy the socialist fortress.

As a depository state of the NPT the United States has the duty of not posing a nuclear threat to our republic, a nonnuclear state, with nuclear weapons. Nevertheless, the United States, far from fulfilling it duties pursuant to the treaty, frantically threatened our republic with nuclear weapons in a bid to infringe upon the sovereignty of the nation and the supreme interest of the country and to obliterate our socialist system. Under these circumstances, we had to take the self-defensive step of withdrawing from the NPT.

Our republic and the United States are both signatory countries of the NPT. Our republic cannot tolerate the threat of one of the signatory countries of the NPT threatening the other party with nuclear weapons on a continuous basis. This is a principle that is acceptable to everyone.

After it signed the NPT our republic could not stand idly by in this emergency situation in which a nuclear threat was being imposed on us from an equal signatory country. If the United States had respected our national dignity and sovereignty and had fulfilled its duties pursuant to the treaty so that it was not a nuclear threat to us, the current situation would not have been created.

The United States perpetrated the maneuvers to obliterate us by staging a nuclear war exercise that would suffocate us on the one hand. On the other hand, it attempted to disarm us by manipulating some officials of the IAEA Secretariat and follower countries. This is also part of major maneuvers to obliterate our socialism.

The United States manipulated the IAEA to depart from the principle of impartiality. It also instigated the IAEA to force us to receive a special inspection of our ordinary military sites which have nothing to do with nuclear activities by providing false intelligence to the agency. Thus, the United States attempted to force us to open our ordinary military bases in a bid to disarm us and thus to easily achieve the aim of its aggression.

The United States is using the IAEA to force us to open one or two military bases today. Then it will force us to open all military bases tomorrow. This is only too clear.

As the world knows, the United States is our opponent. No country in the world today will open its military bases to its opponent, who is looking for an opportunity to swallow it by using the NPT as an excuse. The United States has posed a grave threat to the country's supreme interest by abusing the NPT. Under that kind of situation we had to take a corresponding countermeasure and had to exercise our sovereign right in accordance with the NPT. Our republic could not entrust itself to the aggressors under the constraints of the NPT.

As we have repeatedly made clear, we signed the NPT because we intended to have U.S. nuclear weapons withdrawn from South Korea in order to eliminate the nuclear threat, not because we intended to sacrifice the country's fundamental interest and disarm ourselves. All facts unrefutably prove that our withdrawal from the NPT was prompted by the hostile U.S. policy against our country and its maneuvers to force nuclear inspection upon us. The responsibility for our inevitable withdrawal from the NPT rests entirely upon the United Sates. Therefore, the United States is necessarily a responsible party in resolving our nuclear issue.

Our consistent position is that the party that stirred up the hornets' nest should responsibly seek its solution. Forcible measures are by no means a cure-all. It would not be beneficial to the United States to try to evade its responsibility by solving our "nuclear problem" by force or by internationalizing it.

With the declaration to withdraw from the NPT, we demonstrated to the world that we never say empty words. The United States should not miscalculate our people's will. The progress in resolving the nuclear issue depends upon whether a smooth DPRK-U.S. negotiation is realized, and whether the United States takes a responsible stand.

If the United States responds to DPRK-U.S. negotiations sincerely and responsibly, a correct solution can be found. If it acts to the contrary, the United States, a ringleader who made us withdraw from the NPT, will inevitably receive the world's denunciation and rejection.

If the United States chooses a showdown of strength with us rather than negotiation, it will only taste a bitter cup of defeat. The United States should act prudently.

2d 'Roundtable Talk' Held

SK2703105293 Pyongyang Korean Central Television Network in Korean 0717 GMT 19 Mar 93

[2d installment of 'roundtable talk' with station correspondent Yi Chung-song as moderator; Yi Hong-sop, general director of the Atomic Energy Research Center; Dr. Yun Chang-ho, head of the Nuclear Physics Research Institute; Dr. Yi Sang-kun, head of the Radiochemical Research Institute; and Choe Chong-sun and Chang Song-hak, directors of bureaus of the Ministry of Atomic Energy Industry: "Black-hearted Intention of a So-called Special Inspection Commotion"—place, date not given]

[Text] [Yi Chung-song] How are you? Last time we discussed what efforts our republic's government had positively made to sincerely implement obligations pursuant to the Nuclear Safeguard Accords signed with the International Atomic Energy Agency [IAEA].

Despite opposition from many member states, some officials at the IAEA have abused IAEA rights to forcibly adopt the resolution to conduct a so-called special inspection of our two installations [taesang]. The U.S. imperialists have persistently maneuvered not only in the whole course of the six rounds of nonregular inspections but in the process of negotiations on various occasions toward this end by manipulating some officials of the IAEA. Following the previous talks, we will discuss what has been the real intentions of the said officials of the IAEA and the way the U.S. imperialists have maneuvered.

Because you are precisely those experts and scientists who participated in the whole course of the six rounds of past nonregular inspections by the IAEA, and because you took part in a series of negotiations with the IAEA, I think that you can present proof on this with vivid detail.

[Choe Chong-sun] Let me briefly speak first. The basic purpose of their adoption of the unjust resolution at the IAEA Board of Governors meeting in February was, first of all, to open up our military installations [kunsa taesang]; to disarm us; and to completely crush our country's socialist system.

[Chang Sang-hak] That is right. The IAEA said that it would conduct special inspections of our two military installations [kunsa taesang]. Therefore, I think that one must have a correct understanding of military installations [kunsa taesang]. As for these two installations, they are pure military installations [sunsu kunsa taesang] and have nothing to do with nuclear activities. They are ordinary military installations [ilban kunsa taesang]. Then why are there such ordinary military installations? Under the circumstances where the enemies are saying that they will wage a surprise strike on our atomic energy base, it is natural that we should have these military installations as a self-defensive measure to defend our atomic energy base.

[Yi Chung-song] That is right. Our country is now divided. We are under the constant threat of invasion by the enemies. Under these circumstances, it is very natural that we should have the military installations as a self-defensive measure.

As we mentioned before, the IAEA has decided to conduct special inspections of our military installations which have nothing to do with the nuclear activities. The reason they produced for the special inspections was the absurd allegation of an discrepancy [purilchi].

[Yi Hong-sop] That is right. By discrepancy they mean that the contents of our report and the results of the IAEA's inspections do not agree. As we mentioned in the previous meeting, we positively cooperated with the inspectors. Therefore, if they had fairly and sincerely conducted their inspection activities, they would have understood the status of our nuclear activities exactly and within a short period of time. However, the problem of so-called discrepancy occurred when some officials at the IAEA Secretariat, who were manipulated by the U.S. imperialists, led the inspections in a nonsensical direction with an ulterior motive.

[Yi Chung-song] I see.

[Yi Hong-sop] When the IAEA negotiators came to our country last January, they raised the problem of discrepancy. They said that they would like to inspect the two installations because of it. Following this, the sixth inspection team came to our country. As soon as the inspection team came, it raised the problem officially in writing, using the term "principled" [wonchikchok] and saying that there was a principled discrepancy [wonchikchok purilchi]. They gave us a document which was like an ultimatum. There were two kinds of contents there from a technological point of view. We reported to the IAEA when and how much damaged fuel was sent from the test atomic power plant [sihom wonjaryok palchonso] to the radioactive laboratory [pangsa silhomso]. We reported to the IAEA the period when the radioactive laboratory conducted a basic plutonium extraction experiment with the damaged fuel, showing the plutonium product obtained from it. The first of the alleged inconsistencies to which the IAEA refers is an inconsistency between the composition of plutonium isotopes, which we obtained by processing plutonium, acquiring samples, and measuring them, and the composition of plutonium taht the IAEA calculated using damaged fuel. There is no inconsistency. The IAEA said there is an inconsistency, because IAEA inspectors made a mistake in calculation. Based on the alleged inconsistency resulting from a mistake in calculation, the agency asked us to disclose more plutonium that we have. This is the first inconsistency.

The second is the alleged inconsistency between the composition of plutonium isotopes and the composition of plutonium that they measured with waste water in the course of extracting plutonium. They said that there may be more waste water, demanding that we reveal more waste water. They linked this to the aforementioned two facilities.

This second alleged inconsistency was caused by the fact that the IAEA does not have a good understanding of procedures at the Radiochemical Laboratory and that liquid plutonium obtained from our basic experiment was added [to the waste water tank] in 1975, which we have reported to the IAEA. If the IAEA makes a careful calculation after correctly taking the details of this report into consideration, the alleged inconsistency can be understood. Without doing this sincerely, the IAEA said that there are inconsistencies. The issue is nonexistent from a scientific viewpoint. Some officials of the IAEA Secretariat have an ulterior motive. Therefore, upon learning the result of this measurement, which is incorrect, and even before discussing it with us, they hastily used it for their own purposes, insisted on the inconsistencies, and made this issue an international political issue. As a result, this has become a complicated issue. This is a fabrication, as a matter of fact.

[Yi Chung-song] Let us examine this from scientifically. Then, we will know how wrong their allegation was.

[Yun Chang-ho] I will explain the first alleged inconsistency. This is an issue that we have discussed with the IAEA very seriously for a long time. I cannot elaborate on it because it is a scientific issue, but I will briefly explain how this issue has been resolved. The IAEA obtained samples of the plutonium which the Radiochemical Laboratory extracted through reprocessing and measured them. The IAEA said that there is an inconsistency between the composition of plutonium, which was disclosed as a result of the measurement, and the composition calculated after the examination of the damaged fuel; in other words, between the inspectors' measurement and their calculation. The agency asked us to explain this inconsistency.

Our experts' examination shows that this calculation was incorrect. We calculated the composition of plutonium 242 by using our codes for calculation. Then our calculation was identical to their measurement. This means that there is no inconsistency. We examined what went wrong in the IAEA's calculation. The IAEA made a fundamental mistake in calculation. From a scientific viewpoint, the extraction of plutonium 242 depends to a great extent on how uniformly reprocessed fuel rods were burnt. The IAEA calculated on the assumption that all the reprocessed fuel rods were burnt uniformly. As a result, there is a big difference. The IAEA made a mistake on this fundamental issue. We explained how the composition of plutonium 242 is calculated in a long lecture that even nonexperts could understand. We gave examples. The sixth inspection team members could not ask any question but accepted our explanation because it was very clear. The IAEA made a fundamental mistake in calculation. At first, they insisted that it had made a correct calculation. We proposed that their calculation be compared to ours. Then the team member who raised this issue could not make any response and could not make a correct calculation because he was too embarrassed.

[Yi Chung-song] The team members should have closely examined basic documents and made a very careful calculation. However, they made a very perfunctory calculation.

[Yun Chang-ho] As I said before, the IAEA had no alternative but to accept our explanation. They said that they would make another calculation. They also promised to bring their records of calculation when they visit the DPRK for the seventh inspection and hold discussions with us.

The director general of the IAEA sent a letter to us on the very day the inspection team returned to Vienna after the sixth inspection. He insisted that there were other inconsistencies, in addition to the previously alleged inconsistencies. So our scientists went to the IAEA and held discussions with the director general, the deputy director general, and experts. We gave explanations for four hours. When we logically explained the unjustness of the alleged inconsistencies, they accepted our explanation. They said that they had made a calculation on the assumption that fuel rods were burned uniformly. The deputy director general in charge of safeguards said this. All advisers and experts said this. They completely accepted our explanation. They admitted that they had made a mistake.

Then the IAEA director general said that they would make aother calculation.

[Yi Chung-song] This means that the IAEA admitted its mistake in the first inconsistency.

[All panelists, in unison] Yes, it did.

[Yi Sang-kun] The second inconsistency alleged by the IAEA is in essence identical to the first inconsistency. The IAEA alleged that the composition of plutonium that we extracted by reprocessing spent fuel at the radiochemistry laboratory is different from the composition of plutonium contained in waste water from reprocessing. They insisted that these two must be the same, but they did not know how we operate our laboratory. As far as we are concerned, the two cannot be the same. Our radiochemistry laboratory is a place where various experiments are conducted. Therefore, the waste water in our radiochemistry laboratory contains .he waste water from the basic laboratory of 1975 and waste water from various other experiments. Therefore, this waste water is completely mixed. Therefore, the composition of the plutonium contained in the waste water cannot be identical to that of plutonium that we extracted by reprocessing spent fuel.

Also, our radiochemistry laboratory has handled materials with various compositions and has done so as part of pilot programs. Therefore, the composition of the plutonium contained in the waste water cannot match that of plutonium that we extracted by reprocessing spent fuel. Regarding this matter, during the sixth round of inspections, we explained and gave them all the specific computation figures. Then they acknowledged everything and said that that was possible. Nevertheless, after returning to Vienna, they abruptly stressed the need for special inspections, abandoning their dignity as specialists.

[Yi Hung-sop] Regarding the second discrepancy, we as specialists went to the IAEA and participated in debates. May I add, they claim that the content of plutonium (?242) in the plutonium extraction [word indistinct] was 1.5 percent, different from the characteristic of their product. They asked us why this happened.

Because they raised this problem although everything was stated during the sixth round of inspections, we proved to them clearly by reminding them, citing relevant computations, of the contents of our report, of the amount of the plutonium that entered from the 1975 plutonium (?solution), of what the plutonium composition was in the product, of how much solution entered this waste water tank while flowing (?in the process), and what the composition at that time was. We clearly stressed again synthesizing all these computations, the composition of the plutonium in the waste water in the waste water tank must have the value you produced. They were unable to deny the proof we produced.

But they had an ulterior motive in mind. In an attempt to dodge our proof, they brazen-facedly went as far as to dispute our figures so when we proved that 1.5 percent was correct, they found it to be 1.3 rather than 1.5 percent. When we proved to them again that 1.5 percent was correct, they said that they found it to be 1.3 percent in a recent review, and that, therefore, there was a discrepancy. Thus, they made unreasonable allegations.

[Chang Sang-hak] In fact, they took samples only once. As mentioned before, during the sixth round of inspections, the inspectors said that the IAEA's firm conclusion was 1.5.

[Yi Chung-song] The once determined figure is invariable, is it not?

[Chang Sang-hak] It certainly is. If it is not, the computations should be made all over again from new samples.

[Yi Chung-song] They changed on the spot the figure that had already been determined. This is absurd.

[Chang Sang-hak] They took the sample only once, and changed the figure on the spot when we disproved their assertion. This is an inconceivable, unconscientious act.

[Yi Sang-kun] They purposefully planned from the outset to give rise to the issue of discrepancy. When they take the analysis samples, they take three samples. Of these, one is analyzed by the operator [unyongja], another by the IAEA, and the other is stored in the facilities for trial analysis [chaepan punsok]. When it is stored, neither side can touch it without agreement of both sides. This sample for trial analysis is a sample for referring to a third party in case a discrepancy occurs between the operator and the IAEA in the analyzation process. Their position was not to solve the problem of discrepancy through discussions when a discrepancy occurred, but to fabricate the discrepancy [kkangcharo purilchirul manduroso] and force it upon us.

[Yun Chang-ho] When this problem of discrepancy was completely clarified, the secretary-general of the IAEA in a report to the February Board of Governors meeting said that the problem of discrepancy—which they had made so much fuss about—was a matter of little importance.

So far they have made an issue of the problem of discrepancy—the first discrepancy and the second discrepancy—on four occasions at official meetings. This problem—which they have emphasized so much—they described as a matter of little importance in the report to the Board of Governors meeting. They have put pressure on us with this problem, attempting to make it a political issue. When they found it impossible to carry through with this problem to which they have attached so much importance, they described it as a matter of little importance.

[Yi Chung-song] As we have seen in our discussion so far, it is clear that the discrepancy claimed by the IAEA is a very absurd allegation on an nonexistent issue. Their ulterior purpose is clear enough. In short, their objective is to invent a reason to confirm the information data provided by the U.S. imperialists.

[Yun Chang-ho] Some officials of the IAEA Secretariat not only strongly alleged that there were inconsistencies, but also used the inspections to confirm the U.S.-provided intelligence data as instructed by the United States.

At about the time when the third irregular inspection was over, the IAEA secretary-general demanded that we allow the IAEA to pay a surprise visit [pulsibangmun], that we allow some members of the inspection team to visit the two facilities. One of these facilities was a site [changso] and buildings north of the Yongbyon nuclear reactors, and the other was an ordinary military facility [ilbangunsadaesang].

The IAEA Secretariat proposed surprise inspections [pulsisachal] under the order of the Americans. On 22 July 1992, a hearing of the U.S. House of Representatives called in the IAEA secretary-general and asked him whether it is necessary to conduct special inspections of North Korea.

Upon returning from this hearing, the secretary-general raised this issue with us. This is proof that the IAEA has conducted inspections of us under U.S. orders. Another proof is that when the inspectors were visiting here, they did not behave like guests: During the visits, they conducted searches that were more intensive than inspections.

[Chang Sang-hak] Their visits were no different than searches. They proposed visits to the buildings along the riverside north of the research nuclear reactors. We arranged their visits. They were buildings where our builders lived a long time ago. They are now daily necessities work shops of our scientific equipment plant. They are the buildings that we now see on the screen. They produce bicycle parts, oil burners, spoons and chopsticks, and other daily necessities. They searched every room and warehouse and even restrooms. They looked into locked rooms through windows. They tried to find something in clumsy ways.

There is a device—that looks strange—along the (Kuryong) River. The device is now seen on the screen. It is a basic experimental device for synthesizing [word indistinct]. Suspicious of this, they tried to see the inside after climbing the top. The inside was dark. Our comrades lit the inside with burning paper. In this way, they tried to find something in this area.

I think that the U.S. imperialists gave them the information that there were big secret nuclear facilities and asked them to find them out here. They demanded another visit to these facilities two days later, so we arranged another visit. They took pictures in front of the aforementioned experimental device.

We said: You should not give those pictures to the Americans. The Americans call black white. What will you do if, upon seeing these pictures, they say that they are atomic bombs in North Korea?

Then, they could not bring the pictures with them. They took pictures with the secretary-general in front of the device. They returned those pictures to us. It was a very clumsy visit.

[Yi Sang-kun] The inspectors did not conceal the fact that they were conducting nuclear inspections of our country with another country's intelligence data. At one time, an inspector asked for a private meeting with me. He said that they had solid intelligence information that the laboratory and the military facilities [kunsadaesang] were in some way connected. He also said: You know that already. Can you tell me about it?

He coaxed me in that way. He also said: You know the interior of the military facility [kunsadaesang]. Can you elaborate on it?

This clearly proves that they have not conducted nuclear inspections of our country fairly, but inspected our country with another country's intelligence data.

The Nuclear Safeguards Accord bans inspections using intelligence data provided by countries not concerned. However, they have all along conducted inspections based on another country's intelligence data.

[Chang Sang-hak] After the third inspection was over, the IAEA proposed inspections of our ordinary military facilities [ilbangunsadaesang].

[Yi Chung-song] It said that it would visit the facilities.

[Chang Sang-hak] Yes. As you know, no inspection can be conducted of military facilities [kunsadaesang]. However, because the IAEA secretary-general proposed this for the first time, out of good will, we approved the inspection at once. As you know, entry procedures for the military are complicated. It took sometime to authorize these procedures. It was Saturday and Sunday. Once we received permission, we took them to a facility for two days. One cannot bring with one some devices to military facilities [kunsadaesang]. They brought with them devices measuring radiation, without telling us about it. We pretended not to see them.

[Yi Chung-sok] Because we are clean [chongbaek]....

[Chang Sang-hak] Because we are clean [myongbaek], when we saw them bring along those devices, we did not say anything about it. Upon entering into the facility, they [words indistinct], as you see. They looked here and there. They saw the inside and outside of the building. Upon inspecting the inside once, they said that they would see the inside again. They said they wanted to closely examine the inside to ensure that the IAEA need not ask to see it again in the future. We approved this. They examined all of the inside. This facility is one of the facilities where the IAEA wants to conduct special inspections.

[Yi Chung-song] Did they see the warehouses? They did. Is it not a courtesy for a guest to see things as the host escorts?

[Chang Sang-hak] Judging from the inspection team members' activities, we cannot say that they were guests. The inspection team members acted as if they were policemen searching a criminal's house. Such activities are inconceivable.

[Yi Chung-song] Right.

[Chang Sang-hak] Therefore, we then clearly said: This is it. Even though the site is not the one that should be revealed, we would just one time show the site to the IAEA inspection team as an expression of sincerity to the IAEA.

[Yi Chung-song] The IAEA has demanded special inspections of the two sites. Were they not the very sites shown to the IAEA team members?

[Chang Sang-hak] Right. The demand that our military sites be revealed one by one is the purpose and real intention of the IAEA and the United States.

[Yi Chung-song] Right.

[Choe Chong-sun] Some officials of the IAEA Secretariat have unreasonably put forward the discrepancy issue. Even worse, they are using inspections for verifying the information provided by the United States.

[Yi Chung-song] I see.

[Choe Chong-sun] Toward the end of last December, the IAEA secretary-general notified our country that he would send a special inspection team to our country to inspect the two sites. We sternly rejected his proposal, because the two sites claimed by the IAEA team are purely military sites [sunsu kunsa taesang] which have nothing to do with a nuclear plan.

Then, the IAEA secretary-general proposed to our country that he send a negotiation team to discuss issues arising in implementing the NPT. Accordingly, we agreed to receive the negotiation team to discuss issues arising in implementing the NPT. As a result, we held negotiations with the IAEA team in Pyongyang. The IAEA team members put forward two issues at the negotiations: First, the discrepancy issue should be discussed.

[Yi Chung-song] Was the discrepancy issue raised again?

[Choe Chong-sun] Of course, it was the same one that had been mentioned before.

[Yi Chung-song] I see.

[Choe Chong-sun] The second issue concerns a visit to the two sites.

As for the first issue of discrepancy, we said that it could be resolved through irregular inspections. Thus, the IAEA team members understood the issue and could not oppose it.

[Yi Chung-song] I see.

[Choe Chong-sun] As for the second issue of visiting the two sites, we asked the IAEA team members why they wanted to visit the two sites. They openly said that their attempt is based on a third country's information. In this regard, we reasonably claimed that a country's site should not be inspected based on a third country's information. They could not refute our claim.

As a result, the inspection team members could not put forward any claim. They said that when they returned to the IAEA, they would report the result of the negotiations to the IAEA. Thus, the negotiations ended.

When the negotiations ended, the IAEA team members had not the courage to stand up from their seats, because their unreasonable claims were all refuted. Even after our delegates went out from the meeting place, the IAEA team members could not stand up from their seats.

[Chang Sang-hak] At the Board of Governors meeting held in Vienna in February, some officials of the IAEA presented satellite pictures about our nuclear facilities in collusion with the U.S. imperialists.

As for the satellite pictures, the pictures can be fabricated at will. Satellite pictures can be fabricated.

[Yi Chung-song] Can satellite pictures be fabricated?

[Chang Sang-hak] Sure, satellite pictures can be fabricated.

This has taken place in the past: A U.S. paper carried a picture about our facilities. There was one cooling tower [naenggak tap] in our power station. However, there were two cooling towers in the picture. Considering such a fact, satellite pictures can be fabricated at will. The satellite pictures presented at the Board of Governors meeting were really fabricated ones.

To pass the bill on the so-called premeditated special inspections and to persuade the Board of Governors, the IAEA did not hesitate to conduct such activities that cannot not be legally allowed.

[Choe Chong-sun] Some officials of the IAEA Secretariat used the inspections for verifying the information provided by the United States. Even worse, the inspections were conducted under U.S. manipulation.

[Yi Chung-song] I see.

[Choe Chong-sun] For example, the sixth irregular inspection team came to our country at the end of January and early February. Serious issues were discussed.

When they returned to the IAEA, they reported on the inspection results to secretary-general. The chief of the inspection team said that many scientific and technological issues were resolved through the sixth inspection. He proposed that the time was not yet right for conducting special inspections. Some participants in the meeting agreed to his proposal, and some insisted on conducting special inspections of our country. Since they did not reach an agreement, the U.S. ambassador to the United Nations called in the IAEA secretary-general the next morning.

After visiting the U.S. ambassador, the IAEA secretary-general raised the issues of special inspections and the Board of Governors' special meetings anew. Like this, everything was controlled by the United States.

According to a foreign news agency's report, a U.S. congressman of the investigation department, who had been shocked by the statement by the government of the Republic on its decision to withdraw from the NPT, revealed in an interview with Japan's SANKEI SHIMBUN on 13 March that the U.S. Government had promoted special inspections of the DPRK by providing the IAEA with information.

Judging from this, the IAEA Secretariat must have carried out nuclear inspections of our country completely under U.S. control.

[Yi Chung-song] That is right. From all that we discussed here so far, we have clearly learned why the IAEA carried out the six irregular inspections of our country. In short, the IAEA's inspections have been abused for a strategic maneuver to systemically confirm the intelligence materials provided by the United States. This was the intention from the beginning. I think there are obviously no grounds to refute this assumption.

[Yi Hong-sop] As we have proven with scientific materials, it has been clearly revealed again that the U.S. imperialists schemed to have special inspections while uttering absurd words about two targets [tugae taesang] or the like and a nonexistent discrepancy or something just in order to open up and disarm our military sites [kunsa taesang] one by one, by controlling some quarters of the IAEA Secretariat.

[Choe Chong-sun] Now we can no longer trust the IAEA. We can no longer implement the safeguards accord we signed with the IAEA, which acts as a U.S. servant. In fact, we signed the NPT to remove the U.S. nuclear threats, not to let someone infringe upon our country's sovereignty and security. In this current abnormal situation, however, we can no longer implement our obligations under the NPT.

[Chang Sang-hak] That is right. In this abnormal situation, the government of our Republic announced that it could not help but withdraw from the NPT as a self-defensive measure to defend the best interests of the country. This is a very just measure to protect our sovereignty and dignity and to represent common interests of those countries which possess no nuclear weapons. Thus, it is being supported by not only our people but also people of many countries in the world.

[Yi Chung-song] Exactly right. We have discussed in detail in two installments the severe situation in which the government of our Republic could not help but withdraw from the NPT. We will never forgive anyone who infringes upon our people's dignity and our country's sovereignty, our lives, in the future also. We will also never yield under any attempt and pressure and will continue to stoutly wage the struggle to make the Korean peninsula a nuclear- free, peaceful zone. Then let us conclude our discussions now. Thank you.

KCNA Reports 28 Mar U.S., ROK Military Activity

SK3103051293 Pyongyang KCNA in English 0445 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—The U.S. imperialists brought nuclear-capable fighter-bombers, pursuit-assault planes and electronic jamming planes from Japan and other Pacific bases and deployed them in the U.S. Airforce Bases in South Korea on March 28 to stage a joint ground strike exercise in the skies above Samchok, Wonju and Oeyon islet on the 29th, according to military sources.

More than 300 fighter planes were mobilized in the exercise aimed at increasing the capacity of surprise attack on strategic targets in the North.

On the 29th, the South Korean puppets staged a war rehearsal involving formations of helicopter gunboats making low and ultra-low flights in the air above Jomwon-ri, Paju County, Jupa-ri and Naedae-ri, Cholwon County, South Korean Kangwon Province.

On the same day, puppet army units took combat positions in Kangsan-ri, Cholwon County, and Kajon-ri, Inje County, and fired over 1,000 bullets of large-calibre machine guns and rifles, inciting war fever.

Russian Radio: DPRK Economy Enters 'Blind Alley'

OW3103093693 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 30 Mar 93

[From the "Pacific Ocean" program]

[Text] The economy of North Korea has entered a blind alley. Kim Il-song, who will be 81 in April, indirectly admitted this in his latest speech. Here is a typical touch: This year, and almost for the first time ever, North Korea abstained from making massive purchases of presents abroad on the occasion of the great leader's birthday. Such presents, purchased in China, Japan and Hong Kong amounted to $100 million last year.

DPRK Medical Chief Updates Yi In-mo's Condition

SK3003122293 Pyongyang KCNA in English 1108 GMT 30 Mar 93

[Text] Pyongyang, March 30 (KCNA)—O Yun-hwan, a section chief of the branch of the Korean Red Cross Polyclinic, answered a question of KCNA on the condition of Comrade Yi In-mo, the incarnation of faith and will, who is under its charge.

He told KCNA as follows:

Now the general nutritive condition of the patient is in the worst state.

A man of a height of more than 170 centimetres, he should weigh more than 70 kilogrammes. But he weighs scarcely more than 40 kilogrammes.

He lived in hunger, not allowed to move, in many years of imprisonment and, in this course, all the muscles of his body shrank and no flesh ramains on his thigh and calf and the muscles propping the spinal bones have nearly become atrophied.

The intercostal muscles have also shrunk. Therefore, the chestpiece of the stethoscope does not stick to the skin, making it hard to hear the respiratory sound.

The belly is so sunken that it is stuck to the back and the ankle is so thin that it can be held in the rounded thumb and index finger.

The blood pressure is more or less 140/80 mm hg, the pulse 90-110 per minute and the respiratory number is 25-30 per minute.

The nutritive condition of the whole body is so bad that the patient finds it hard even to speak owing to serious asthenia and he cannot attempt to correct the position, even if his head is turned to one side when he is lying on his back. He prefers to keep his eyes closed, finding it hard to open them, and feels difficulty in bending his knees.

When he is brought to a sitting position, one person pulling him in front and another pushing him behind, he collapses then and there, lacking strength to support him.

The consciousness of the patient is clear. But, his thinking power has been slightly dulled by enemy's tortures and he is not keen but indifferent to the surroundings, because he was detained in a dark solitary cell for decades. These are after-effects of brutal tortures—beatings on the head with many whips, clubs and bottles, kickings and trampling down.

The left eye had bled from whipping and its sight gradually failed. So it underwent an operation. But the cornea of the eyeball has been generally degenerated and muddled and has shruken. Now the eye is sightless.

Nearly all the teeth were broken or smashed in tortures. Now only their roots remain.

The patient, a victim of beastly tortures, starts at the slightest touch on his nose. So no proper medical treatment of it is possible.

The right eardrum was split from beating in prison. The gullet, due to semi-paralysis, does not let pass food, causing frequent vomit. With no one to talk with in prison, his tongue was stiffled, making it hard for him to speak.

The condition of the chest is also very bad.

He has serious troubles in the chest, which heavily affect his condition.

A roentgen examination revealed traces of serious tuberculosis in the upper part of the right lung which he had suffered in prison. Now the patient has difficulty in breathing when he moves even a little.

The pleurae have thickly stuck to each other in the whole left posterior pleura from protracted pyothorax, causing a large pustule.

The abdomen is generally dropping and his liver also is functionally disordered.

As the protein compounding capacity of the liver has decreased due to the weakness of the whole body induced by starvation, the protein in blood is 4-4.5 g/ml.

The motor functions of the body are deplorable beyond description.

The patient lived a solitary life in a narrow cell for 34 years. Worse still, he was beaten and kicked when he raised his head. So, he remained squatted, his head always dropped and his knees bent.

Now this position has stiffened.

Still now he lies with his head dropped, his back bent and his knees bent, both arms thrust between the bent knees all day long.

With his general condition getting worse, the muscles supporting the waist have shrunk. So he cannot be in a sitting position.

Having spent 34 years in such pose, he cannot straighten his back and he feels an acute pain in the waist and legs, when he attempts to straighten his bent knees. So he can hardly lie down.

His arms are in the same condition and his left arm is paralysed.

With the web muscles of hands and feet atrophied, he has no muscles of fingers, toes, the back of the hands and insteps. This gives the impression that the bones are interlinked.

The patient is very sensitive to external stimulus.

He wakes up with a start and shouts with a dream of shocking torture. He startles at an injection or stimulus on the skin and is alarmed at the sight of medical instruments moving before his eyes.

Generally speaking, he is a cripple with no organ of the body left sound in the medieval tortures. It is quite difficult to recover him, one may say.

Giving the above information about his condition, O Yun-hwan stated that though Comrade Yi In-mo was now in a critical condition, the powerful medical group formed by the dear leader Comrade Kim Chong-il would exert itself to the utmost to make him recover as soon as possible and live a happy life with his beloved family for the remainder of his life under the Korean-style socialist system centred on the popular masses.

People in South Send Gifts to Yi

SK3103092993 Pyongyang KCNA in English 0502 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—South Korean people and overseas compatriots sent a large number of congratulatory letters and consolatory presents to Yi In-mo, a former war correspondent of the Korean People's Army, who has been embraced in the socialist fatherland.

Kwon Chong-hui, chairman of the society for practice of national spirit, and others in an article congratulating Yi In-mo on his repatriation to the northern half of Korea wrote that "there can be no independence without reunification and we cannot live without independence. Our sole weapon to win independence of the country is only national unity." And the General Student Council of Kyongnam National University sent a sheet of Korean paper reading "Korea is one."

Young fine art students of Dong-a University sent a hanging-roll reading "I will go to Mt. Paektu."

Written on the centre of kerchiefs sent by South Korean children are "Waves of independence" and around it are "Grandfather, we will meet you again in a reunified society. Long live independence, democracy and reunification. We will go to tread Mt. Paektu someday, praying for your good health at all times. We will follow you."

Overseas compatriots sent many letters and tonics to Yi In-mo.

ROK Defector to DPRK Praises Kim Chong-il

SK3103035293 Pyongyang KCNA in English 1506 GMT 30 Mar 93

["Mr. Kim Chong-il Is Outstanding Brilliant Commander With Extraordinary Resources and Grit"—KCNA headline]

[Text] Pyongyang, March 30 (KCNA)—Young man Cho Hong-nae who served as a delegate of "Namil Sports" in Taegu, South Korea, before coming over to the northern half of Korea to lead a happy life, was interviewed by KCNA reporters here on March 26.

He expressed his feelings when he heard the order issued by the dear leader Comrade Kim Chong-il, supreme commander of the Korean People's Army, to lift a semi-war state as follows:

Dear Mr. Kim Chong-il is an outstanding brilliant commander with both literary and military accomplishments and extraordinary resources and grit. Our people won one more victory under his outstanding leadership.

The young man said he saw ordinary people, workers, office employees and youth and students volunteering to turn out in a decisive battle to annihilate the enemy and demobilized officers and men and veterans as well determining to rejoin the army as soon as the supreme commander of the Korean People's Army issued the order to the whole country, all the people and the entire army to switch over to a semi-war state.

If a semi-war state, however, is declared in South Korea or capitalist countries, it would cause a big chaos and group flight overseas, he said, and went on:

I saw at first hand that people love armymen and armymen consider people as their parents and wives and sons and the beautiful manner of helping and leading each other forward under the slogan of unity between the army and the people is fully displayed.

I have come to realize that the strength of the army and the people singleheartedly united around the great leader is the greatest source to defeat any formidable enemy.

I am fully aware that victory is in store for the people in the North as they hold in high esteem Mr. Kim Chong-il, a great brilliant commander, with literary and military accomplishments and encyclopedic outlook.

When I was in South Korea, I saw my friends, who watched TV screening the parade commemorating the 60th founding anniversary of the Korean People's Army, highly praising and revering the dear leader Mr. Kim Chong-il.

Choe Tae-pok Speaks at Party for Indian Party Leader

SK3103094993 Pyongyang KCNA in English 0510 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] arranged a party at the Mansudae assembly hall Tuesday evening in honor of H.S. Surjeet, general secretary of the Central Committee of the Communist Party of India (Marxist), on a visit to Korea.

Speaking at the party, Choe Tae-pok, alternate Politburo member and secretary of the WPK Central Committee, said that the Communist Party of India (Marxist) has been steeled and tested through a protracted struggle for independence against imperialism, for peace and socialism and grown in strength as a political force with high authority and thus has a great influence on the political situation and social development of India today.

"Our party highly estimates this and extends revolutionary support and solidarity for it," he declared, and went on:

"We wish the CPI (Marxist) under your leadership greater progress in the future efforts to strengthen the party and closely unite broad popular masses such as workers, farmers and the youth around it and, at the same time, achieve the unity with all the progressive forces and expand and strengthen the cause of socialism.

"We believe that your current visit, comrade general secretary, will mark a milestone of importance in strengthening the friendship and unity and the bonds of solidarity between the two parties and developing them to a new stage and taking a joint step.

"Our party will make closer the friendship and solidarity, support and cooperation with the Communist Party of India (Marxist) in strengthening and developing the common cause of socialism in conformity with the requirement of the Pyongyang declaration and the times."

General Secretary H.S. Surjeet in his speech said that the Democratic People's Republic of Korea was vigorously advancing along the road of socialism under the guidance of the great leader Comrade Kim Il-song in the complicated situation today. He noted:

"Now the socialism of Korea is advancing, demonstrating its strength to the whole world.

"The U.S. imperialists are persistently trying to bring the Korean people to their knees and stifle the socialism of Korea. But they do not know the strength of the Korean people, the strength of the revolution.

"I am convinced that the Korean people will smash the moves of the U.S. imperialists.

"The U.S. imperialists are trying to frighten the Korean people with the 'Team Spirit' nuclear war exercises and the clamor for a 'special inspection' of the republic, but the Korean people are advancing, tiding over all difficulties.

"The DPRK's withdrawal from the Nuclear Nonproliferation Treaty is a very just step.

"Comrade Kim Il-song is making great contributions to the realisation of the cause of socialism. He founded the chuche idea to show us the way.

"We hope that the Workers' Party of Korea and the Korean people will build socialism more successfully under the wise leadership of Comrade Kim Il-song.

"The world progressive people who want the victory of socialism are standing on the side of the Korean people."

Declaring that the relations between the Communist Party of India (Marxist) and the Workers' Party of Korea were special relations, he said: "We will always remain on the side of the revolutionary WPK and the Korean people."

Holds Talks With Party Leader

SK3103124093 Pyongyang KCNA in English 1024 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—Talks were held here today between Choe Tae-pok, alternate Politburo member and secretary of the Central Committee of the Workers' Party of Korea, and H. S. Surjeet, general secretary of the Central Committee of the Communist Party of India (Marxist).

The sides informed each other of their parties' activities and exchanged views on the issue of further strengthening and developing the friendly relations between the two parties and other matters of common concern.

The talks took place in a comradely and friendly atmosphere.

Official: Japan Must Settle 'Comfort Women' Issue

SK3003132593 Pyongyang KCNA in English 1118 GMT 30 Mar 93

["Japanese Government and South Korean Authorities Denounced for Scheming To Gloss Over 'Comfort Women for Army' Issue"—KCNA headline]

[Text] Pyongyang, March 30 (KCNA)—The Japanese Government and the South Korean authorities must no longer vociferate about "validity" of the 1965 pact signed between South Korea and Japan, today when the past crimes of the Japanese imperialists including the problem of the "comfort women for the army" have been dragged into the light of day and the Japanese Government must clearly settle this problem and the issue of six million draftees before history.

The chairman of the DPRK measure committee for compensation to the "comfort women for the army" and the victims of the Pacific war said this in a statement on March 30.

He sternly denounced the Japanese Government for attempting to settle the "comfort women" problem by means of establishing the so-called "humanitarian relief fund", not with compensation, and the South Korean authorities who decided "not to demand material compensation" for it.

"If the Japanese Government and the South Korean authorities attempt to settle by a political method, not by compensation, such monstrous crimes in human rights abuses as the issue of 'comfort women for the army' the like of which was previously unknown in history, before its truth is fully probed" he said, "this would be an insult to more than 200,000 'comfort women for the army' who were murdered in cold blood by the Japanese imperialists and became forlorn wandering spirits and to the survivals who are spending torturous days with their past disgrace gnawing at their hearts now."

Recalling that the "comfort women" problem, a criminal human rights violation, is being debated even on the U.N. rostrum of human rights, he held that the Japanese Government must not try to solve this problem by means of founding a "humanitarian relief fund" but make adequate compensations based on an investigation into the truth of crimes including forcible drafting and honest apology for the crimes.

He appealed to all the governments, the U.N. human rights organisation and other international organisations and political parties, public organisations, progressive lawyers, scholars and individual figures of all countries to actively cooperate in frustrating the sinister political scheme of the Japanese Government and the South Korean authorities to hush up the problem of the "comfort women for the army".

Delegation Holds Talks With Swedish Parliament Group

SK3003141693 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 Mar 93

[Text] Talks between our country's Supreme People's Assembly [SPA] Foreign Affairs Committee delegation and the Swedish Parliamentary Foreign Affairs Committee delegation were held on 26 March in Stockholm. On our side, Comrade Kim Yong-sun, secretary of the Workers Party of Korea Central Committee and chairman of the SPA Foreign Affairs Committee; members of the delegation; and our country's ambassador to Sweden participated in the meeting. On the Swedish side, (Daniel Tarushi), chairman of the Swedish Parliamentary Foreign Affairs Committee; (Rolf Klaxson), chairman of the Swedish National Committee of International Parliamentary League; and members of the Secretariat of the Parliamentary Foreign Affairs Committee, participated in the meeting. Talks were held in a friendly atmosphere.

Tanzanian Premier Meets DPRK Envoy 26 Mar

SK3003131593 Pyongyang KCNA in English 1048 GMT 30 Mar 93

[Text] Pyongyang, March 30 (KCNA)—John Samuel Malecela, prime minister and first vice-president of Tanzania, said when he met the Korean ambassador on March 26 that the step taken by the government of the Democratic People's Republic of Korea in face of a grave situation created on the Korean peninsula was a self-defensive measure to defend the sovereignty of the nation and the supreme interests of the country, and it fully accorded with the interests of the Third World peoples.

Stressing that the withdrawal of the DPRK from the Nuclear Nonproliferation Treaty was a just act, he expressed full support to the DPRK's self-defensive measure.

Meetings Convey Kim Chong-il's Message of Thanks

SK3103051193 Pyongyang KCNA in English 0436 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—Meetings have been held to convey the message of thanks sent by Comrade Kim Chong-il, supreme commander of the Korean People's Army [KPA], to the officers and men of the KPA and the Korean People's Security Forces, the members of the Worker-Peasant Red Guards and the Young Red Guards and the entire party members and other working people who displayed a high degree of loyalty in the struggle for defending the sovereignty of the country and the gains of the revolution.

Such meetings took place at the Kangwon provincial administrative and economic committee, the Pyongyang bus office No. 1, the Kaesong textile mill, the Wonsan fishery station and Kim Chaek University of technology.

The message of thanks of Comrade Kim Chong-il was conveyed at the meetings.

The speakers at the meetings said thanks to the great leadership of Comrade Kim Chong-il it was possible to safeguard the party and the leader and firmly defend the gains of the revolution in the touch-and-go situation in which a war might break out any moment.

Noting that though the semi-war state had been lifted, the enemies were persisting in their moves to destroy Korean-style socialism, they called on all the people to effect a new upsurge in production, keeping themselves in a strained and mobilized posture.

They expressed the resolution to fully prepare themselves politically and ideologically to devotedly fight for the party and the leader and for the country and the people as the anti-Japanese revolutionary fighters and hero Yi Su-pok in the '50s did and intensify the training of the Worker-Peasant Red Guards and the Young Red Guards so that if the enemies started a war, they could annihilate them at one stroke.

Letters of pledge to Comrade Kim Chong-il were adopted at the meetings.

Bolshevik Communist Party Issues Statement

SK3103101693 Pyongyang KCNA in English 0451 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—The All-Union Communist Party of Bolsheviks called for close assistance and cooperation with the communist and workers' parties and progressive forces of the world on the occasion of the first anniversary of the publication of the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism".

In its statement dated March 17 it said that the Pyongyang declaration gave profound and scientific answers to questions arising in the international communist and working-class movement in face of a new situation created with the temporary setback of socialism in the Soviet Union and East European countries. It continued:

"The particular significance of the declaration lies in that it was the first step toward the achievement of unity of action in the struggle to revive Marxist-Leninist parties, free these parties from the noose of opportunism and revisionism and check the attack of international capital and defend the fundamental interests of working people under the prevailing circumstances.

"At present it is the most important strategic orientation of the joint struggle to support the peoples of the Democratic People's Republic of Korea and Cuba who are targets of most malicious vilification and direct attack of U.S. imperialism".

Noting that the actions of working people for social justice, democracy, and legitimate rights and freedom of man including the rights to existence and peace gaining in scope on all continents including Europe and Americas, the statement stressed that it is another sphere of international solidarity of communist and workers' parties to assist this actions both materially and morally worldwide.

"Proceeding from this, the All-Union Communist Party of Bolsheviks calls for closest assistance and cooperation with all the communist and workers' parties, all the progressive forces of the world and will make every possible effort for the victory of the socialist cause," said the statement.

Pak Song-chol Greets '1,000-ri Journey' Marchers

SK3103091793 Pyongyang KCNA in English 0458 GMT 31 Mar 93

[Text] Pyongyang, March 31 (KCNA)—The group of excursionists of "one thousand-ri journey for learning" arrived at Mangyongdae, the time-honored place of the revolution, on March 30 over ten days after it had left Pophyong of Kim Hyong-chik County, Yanggang Province, the land of history, on March 16.

The participants have marched amid warm farewells by a large number of school youth and children and working people along the course of "one thousand-ri journey for learning" covered by the great leader President Kim Il-song in his early years from 16th to 29th of March 1923 to know Korea well with the great aim to save the destiny of the country and the nation.

Vice-president Pak Song-chol and Chief of General Staff of the Korean People's Army Choe Kwang, members of the Political Bureau of the Central Committee of the Workers' Party of Korea, and other cadres met the excursionists at the entrance to Mangyongdae and joined them in the march.

A meeting for reporting the arrival of the excursion group to the dear leader Mr. Kim Chong-il was held in front of the native home in Mangyongdae.

The chief of the excursion march made a report in formation.

Then, a letter to the dear leader was read out.

In the letter, the excursionists evinced their determination to become sunflowers of loyalty who believe and follow only the dear leader at any time and at any place and to unhesitatingly devote their lives to the country, glorifying the Korean socialist system which was established by the anti-Japanese forerunners and has been defended and built up by fathers and mothers with sweat and blood.

The meeting adopted an appeal calling upon school children across the country to conduct a powerful "movement for visiting the native home in Mangyongdae".

"Let us become true juvenile guards and juvenile death-defying corps who follow only respected Generalissimo Kim Il-song and the dear leader in any wind, keeping loyalty to them deep in mind, always looking up to the native home in Mangyongdae, the cradle of the revolution and the native home in the secret camp of Mt. Paektu," the appeal said.

KCNA Reviews 31 Mar Pyongyang Press

SK3103102293 Pyongyang KCNA in English 0528 GMT 31 Mar 93

[Press review]

[Text] Pyongyang, March 31 (KCNA)—NODONG SINMUN today reports that "Answers to the Questions Raised by the Editor-in-chief of the Indonesian Newspaper MEDIA INDONESIA," an immortal classical work of the great leader President Kim Il-song, was brought out in booklet in Pakistan.

The daily conveys news that works of the dear leader Comrade Kim Chong-il have been reported in different countries.

Printed in the press are solidarity messages and letters to Comrade Kim Chong-il from foreign party leaders denouncing the "Team Spirit 93" joint military exercises of the United States and the South Korean authorities and their clamour for a "special inspection" of the DPRK.

Given in NODONG SINMUN are accounts of meetings held in different parts of the country to convey the message of thanks sent by Comrade Kim Chong-il, supreme commander of the Korean People's Army, to the officers and men of the Korean People's Army and the Korean people's Security Forces, the members of the Worker-Peasant Red Guards and the Young Red Guards and the entire party members and other working people who had displayed a high degree of loyalty in the struggle to defend the sovereignty of the country and the gains of the revolution.

The daily deals with the wise guidance given by Comrade Kim Chong-il in the work of the Wonhwa cooperative farm in Pyongwon county, South Phyongan Province, after becoming its honorary member.

Papers give an account of a meeting held by the group of participants in the excursion "one-thousand ri journey for learning" to the old home in Mangyongdae to report its arrival to Mr. Kim Chong-il.

"The Chuche Idea Is the Life and Blood of Our-style Socialism" is the headline of a MINJU CHOSON article.

Appearing in NODONG SINMUN is the gist of a statement issued by the C.C. [Central Committee], the All-Union Bolshevik Communist Party on the occasion of the first anniversary of the publication of the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism".

The daily editorially calls for effecting a new upswing in agricultural production in hearty response to the highly important teachings given by President Kim Il-song recently.

The press carries news of the sojourn of Vice-president Yi Chong-ok, a special envoy of President Kim Il-song, in Nepal.

Given in NODONG SINMUN is an account of a party arranged by the C.C., the Workers' Party of Korea in honor of the general secretary of the C.C., the Communist Party of India (Marxist).

Papers carry an information about the illness of Yi In-mo, the incarnation of faith and will, and report that many letters and gifts have come to him from South Korean people and overseas compatriots.

Under the title "No Threat and Blackmail Can Work on Korean People Who Regard Independence as Their Life and Blood," NODONG SINMUN conveys foreign reaction supporting the statement of the DPRK Government on its withdrawal from the Nuclear Nonproliferation Treaty.

The press informs the readers that a spokesman for the DPRK Foreign Ministry denounced the U.S. for scheming to inaugurate "Voice Free Asia" and carries a statement issued by the chairman of the DPRK measure committee for compensation to the "comfort women for the army" and the victims of the Pacific war condemning the attempts of the Japanese Government to evade a full-scale investigation into the truth behind the problem of the "comfort women for the army" and an adequate compensation, hand in glove with the South Korean authorities.

An article of NODONG SINMUN exposes the suppression and violation of human rights in the South Korean puppet army.

According to the daily, the general secretary of the Sandinist National Liberation Front of Nicaragua rejected the U.S. attempt at intervention and the participants in the fourth international symposium on protection of children's health published a document denouncing the U.S. economic blockade of Cuba.

The Indian paper SAMACHAR POST exposed the crimes committed by Japan in the Korean war, the paper says.

In a monthly review of the South Korean situation papers say that the United States has worked round the clock to isolate and stifle the DPRK and an international solidarity movement supporting the self-defensive measure of the Korean people has been brisk.

KCNA Review of 30 Mar Pyongyang Press

SK3003132193 Pyongyang KCNA in English 1013 GMT 30 Mar 93

[Press review]

[Text] Pyongyang, March 30 (KCNA)—Papers here today carry a message of greetings President Kim Il-song of the Democratic People's Republic of Korea sent to President Vincent Tabone of the Republic of Malta on the occasion of his 80th birthday.

The dear leader Comrade Kim Chong-il sent thanks to employees of the Korean Publications Export and Import Company, officials of the General Industrial Publishing House and the Pyongsong knitwear exports factory and other units who set examples in assisting the People's Army through a powerful "our post-our factory" movement, says NODONG SINMUN.

The paper says that the Norway-Korea Friendship Association published the immortal classical work of Comrade Kim Chong-il "The Historical Lesson in Building Socialism and the General Line of Our Party" in booklet.

The paper carries news that news media of various countries reported the communique of the supreme command of the Korean People's Army on lifting the semi-war state.

The paper rounds up words of foreign party leaders highly praising the exploits of Comrade Kim Chong-il who has wisely led the work in the literary and art domain.

The paper informs the readers that the Pyongyang declaration, a common fighting program of revolutionary parties of the world published in April 1992, is evoking a widespread response among the world's people.

The paper editorially calls for pushing ahead with socialist construction with confidence in victory and fighting spirit.

Under the title "Let Us Effect New Innovation in Socialist Economic Construction in the Spirit Displayed in Semi-war Period", the paper edits reports about the successful fulfilment of the first quarterly year assignments at many industrial establishments.

The paper devotes nearly one whole page to an article titled "To Become Rifles and Bombs Defending the Party and the Leader With Lives Is Faith and Pledge of Five Million Youths".

Spotlighted in the press is a statement of a spokesman for the DPRK Foreign Ministry denouncing the schemings of the United States, some officials of the Secretariat of the International Atomic Energy Agency and some member nations to unreasonably take the "nuclear problem" of the DPRK to the U.N. Security Council to put pressure upon it.

A spokesman for the DPRK Foreign Ministry flailed the moves of the Japanese Government to dispatch the "Self-Defense Forces" to Mozambique, says the press.

NODONG SINMUN reports that the Equatorial Guinean president and the governor-general of Jamaica met with the DPRK ambassadors and talks were held in Stockholm between the delegations of the Foreign Affairs Committee of the Supreme People's Assembly of the DPRK and the Foreign Affairs Commission of the Parliament of Sweden.

Under the respective titles "The United States Is the Very One Who Compelled Us To Take Self-Defensive Measure" and "Immediately Stop Clamour for Criminal 'Special Inspection'", NODONG SINMUN and MINJU CHOSON round up international public voices supporting the statement of the DPRK Government on its withdrawal from the Nuclear Nonproliferation Treaty.

The mission of the South Korean National Democratic Front (Hanminjon) in Syria called a press conference in connection with the publication of a declaration on the present situation by the Hanminjon Central Committee, says the press.

South Korean news of the press includes a report that dissidents demanded amnesty for those who made public declarations of conscience.

NODONG SINMUN runs an article exposing that the "Team Spirit 93" joint military exercises staged according to the "air and ground war" strategy were a three-dimensional nuclear offensive rehearsal against the North.

An article of MINJU CHOSON says that the U.S. troops' pullout from South Korea is an indispensable task for peace and reunification of Korea.

In a commentary titled "No 'Sanction' Will Work on Us", NODONG SINMUN condemns the U.S.-led reactionary forces for crying for an "international economic sanction" against the DPRK which declared its withdrawal from the Nuclear Non-proliferation Treaty.

It is reported in the paper that the premier of the State Council and vice-chairmen of the Central Military Commission were appointed at the first session of the eighth National People's Congress of China, the 29th congress of the Communist Party of the Soviet Union was held, Yasir 'Arafat reaffirmed his stand toward the mid-East peace conference and potato harvest is in full swing in Cuba.

Papers run articles exposing nuclear armament of the Japanese reactionaries.

South Korea

Reaction to DPRK Nuclear Treaty Withdrawal Continues

DPRK 'Prepared To Discuss' Issue

SK3103000693 Seoul KBS-1 Radio Network in Korean 2200 GMT 30 Mar 93

[Report by Vienna-based correspondent Cha Man-sun]

[Text] North Korea is prepared to discuss the issue of implementing the nuclear accord, such as ad hoc inspections [imsi sachal], through an agreement with the International Atomic Energy Agency [IAEA], although North Korea is still opposed to the special inspections by the IAEA, said North Korea's ambassador to Vienna.

Kim Kwang-sop, son-in-law of North Korean President Kim Il-song, in an interview with the Korean Broadcasting System [KBS] last night, said North Korea is prepared to discuss such matters as ad hoc inspections with the IAEA because the treaty is valid for three more months, thus strongly hinting that North Korea might receive ad hoc inspections by the IAEA. This is interpreted as a considerable change in the North Korean position of strongly rejecting even ad hoc inspections following the adoption of the resolution by the IAEA Board of Directors meeting.

North Korean Ambassador Kim Kwang-sop also said that North Korea will continue to maintain cooperative relations with the IAEA, including technical cooperation [kisulchogin hyopcho], even if North Korea withdraws from the Nuclear Nonproliferation Treaty [NPT], thus hinting that North Korea might maintain the same position as India, a member state of the IAEA but not the NPT.

In the meantime, while some 20 member states of the IAEA Board of Governors are actively pushing ahead with the adoption of a resolution to notify the UN General Assembly and the UN Security Council of North Korea's nonimplementation of the nuclear accord, North Korean Ambassador Kim Kwang-sop visited IAEA Director General Hans Blix yesterday afternoon and conveyed to him a somewhat modified North Korean position, hinting at North Korea's willingness to accept ad hoc inspections. At this meeting, however, the IAEA director general clarified his position that unless North Korea receives special inspections, IAEA must report to the special board of directors meeting branding North Korea as a state that does not implement the nuclear accord, and urged North Korea to accept the special inspections, it has been learned.

President Kim 'Optimistic'

SK3003132893 Seoul KBS-1 Television Network in Korean 1240 GMT 30 Mar 93

[Text] Hong Kong's ASIAN WALL STREET JOURNAL reports that President Kim Yong-sam is optimistic about North Korea's nuclear issue, although he is concerned about North Korea's withdrawal from the Nuclear Nonproliferation Treaty [NPT] and its attempt to manufacture nuclear weapons. According to this paper, President Kim believes that diplomatic efforts through cooperation with Japan, the United States, and China will make it possible to persuade North Korea to reconsider its decision on withdrawal from the NPT and to give up manufacturing nuclear bombs. In an interview with this paper at Chongwadae, President Kim Yong-sam noted the above and said that China appears to be supporting North Korea's position, but it will not be able to disregard our position in the future because of increasing ROK-China trade, which reached $8.8 billion last year.

Kim 'Willing' To Improve Ties

SK3103125593 Seoul YONHAP in English 1229 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—President Kim Yong-sam said on Thursday that if only North Korea takes sincere steps to resolve the controversial nuclear issue, he would be willing to resume the suspended South-North dialogue at any time. In an exclusive interview with the daily TONG-A ILBO on the occasion of the paper's 73rd anniversary, President Kim said, "Now that the Team Spirit military exercise is over, I expect the South-North dialogue would resume as a matter of course."

The president who was sworn in late last February said that when the dialogue is resumed, the South would positively promote the improvement of overall aspects of South-North relations including the dispersed family issue. Turning to political issues, the president said he would see to it that the laws on political funds, political parties and the National Assembly will be revised so that ruling and oppsoition parties could engage in political activities on the same footing.

"I will foster an atmosphere where opposition parties can have better access to and more broadly understand government policies," said the president, adding that as part of this, he would meet opposition leaders as often as his situation permits. On the recent disclosure of assets of senior public officials and legislators, President Kim said, "We experienced some trial and error in the assets disclosure." He said that the assets of those public officials lower in grade than the vice minister level would be disclosed after assets disclosure was made a rule through an amendment to the public officials ethics law.

Saying that the disclosure of properties by the former presidents and other ex-senior public officials would be up to their own judgement, President Kim said he, in his part, would disclose the state of his properties once again when he steps down on the expiration of the term of his office. He was the first to make public the list of his and his family's assets upon his inauguration. The president cautioned, however, that "it is not desirable for the public to blindly chastise the rich."

Kim also emphasized the need to resolve the aftermath of the Kwangju incident. "Now that a civilian-led age has dawned for the first time in 32 years, I, as the president, feels the sense of duty to vent the spite of Kwangju people," he said. The president said he plans to arrange an opportunity to meet relevant people of Kwangju at an early date to discuss the resolution of matters related to the incident.

ROK To Send Group to Pyongyang on Tumen River Talks

SK3003132493 Seoul YONHAP in English 1241 GMT 30 Mar 93

[Text] Seoul, March 30 (YONHAP)—The government plans to send its delegation to the third meeting of the Tumen River development planning and management committee (PMC) slated for May 9-10 in Pyongyang, North Korea. The delegation would include Kim Tae-yon, director of the Economic Planning Board's international policy coordination office. But it remains to be seen whether North Korea would send an invitation to the South. "We see no reason why North Korea should not give us an invitation especially because they attended the first PMC meeting held in Seoul in February last year," a government official said on Tuesday.

The PMC of the U.N. Development Program (UNDP)-sponsored Tumen River project operates until the end of this year to discuss the formulation of a Tumen River development organization. The committee consists of South and North Korea, China, Russia and Mongolia. Japan takes part in it as an observer.

Meanwhile, both South and North Korean officials are attending a transportation meeting of the Tumen River project being held in Beijing from Tuesday through Friday. North Korea boycotted another Tumen River project working-level meeting held in Helsinki on March 16, five days after their withdrawal from the NPT, asserting that they could not attend it because they were in a semi-war state in connection with the Team Spirit military exercise in South Korea.

Trade, Industry Minister To Visit U.S. 11 Apr

SK3103084993 Seoul YONHAP in English 0630 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—Trade, Industry and Resources Minister Kim Chol-su is to visit the United States on April 11-21 to persuade officials and congressmen not to make negative trade policies toward South Korea. The government feels it is a good time to press Korea's case because the new administration in Washington has not decided its trade policy on Seoul, ministry officials said Wednesday.

Kim will try to make a friendly climate in the U.S. Government and Congress so that trade issues like anti-dumping accusations and intellectual property rights are solved smoothly. He is to explain the government's trade policy, including plans to improve conditions for industry. Also on Kim's agenda is a trip to Silicon Valley and talks on industrial cooperation in high-technology areas. Details of the trip are under negotiation with the U.S. side, the officials said.

AMCHAM Korea Calls for Pressure To Open ROK Markets

SK3003134493 Seoul YONHAP in English 0831 GMT 30 Mar 93

[Text] Seoul, March 30 (YONHAP)—Trade relations between South Korea and the United States are expected to be placed on thin ice as the AMCHAM Korea (American Chamber of Commerce in Korea) urged Washington Tuesday to reauthorize Super 301 trade compliance legislature as a strong measure to tackle Seoul's trade barriers. In its annual report to its U.S. headquarter, U.S. Trade Representative, and Commerce Department, AMCHAM Korea suggested that the Korean Government would not shift to free market policy unless faced with retaliatory actions by U.S. Government and recommended the Super 301 be reinstated.

Questioning Seoul's promises of liberalization, AMCHAM cited Korea's limiting policies in 12 categories—in market access for consumer goods, intellectual property rights, banking, foreign investment, insurance, accounting, taxation, chemicals, advertising, telecommunications, pharmaceuticals, and transportaion, travel and tourism in its report. Although Seoul officials claimed Korea lacked a trade surplus with United States as a result of their market liberalization, the U.S. Commerce Department figures showed different story, AMCHAM said.

Washington said its trade deficit with Korea was well over two billion U.S. dollars, the U.S. Commerce Representative in Seoul said, also noting Korea decreased exports and was temporarily importing a host of capital equipment from United States because it was currently in an economic transition period. It pointed out Korea's imports of consumer durable goods amounted to paltry 4 percent of all of its imports, therefore concluded that the Seoul-Washington trade balance was irrevalent in evaluating Korea's trade policy toward the United States.

AMCHAM observed that the market access liberalization in Korea has been limited and slow over the two past years, saying American traders were recently dealing with the same market access issues they were dealing with last year. It criticized the Korean Government's direction and intervention, making it difficult for American companies to sell their finished goods competitively in Korea.

As part of its import-limiting trade policy, Korea takes between 10 days to four months to clear customs on consumer food products, which have limited shelf life. The Korean Customs Administration takes even longer time or reject newly liberalized food products with its quarantine and food safety regulation that do not conform with internationally accepted standards, AMCHAM said.

Difficult payment procedures were one of Korea's common market access barriers. The Finance Ministry here bans deferred payments on imports with basic tariff rates over 10 percent. So importers of durable consumer goods, which are tariffed at rates above 10 percent, must pay cash or borrow from Korean banks at high interest rates, forcing them to limit import volumes.

Finding distribution channels here were equally difficult, AMCHAM suggested, as foreign investment in retail was currently limited to 10 stores. It noted access to Korea's distribution market was limited by both government and private efforts. Even though foreign cigarettes are permitted here through imports and wholesales, their sales were adversely affected by harrassment of local retailers and campaigns against smoking foreign goods.

Korea also failed to differentiate between legal multilevel selling and harmful pyramid schemes and has banned multi-level marketing under the "door-to-door sales act" in Dec. 1991, placing numerous restraints on legitamite American companies. The relatively small number of consumer imports that reach the shelves of retail outlets here are usually prohibitively expensive, AMCHAM said.

A 750-liter general electric refrigerator that cost between 1,600 dollars and 1,800 dollars, sells for 4,700 dollars here due to its layered taxation system. In addition, imported automobile dealers must contend with "window-guidance" from the Seoul government and the Korean buyers must deal with tax audits from the national tax administration.

Making matters worse, Korea's anti-import drives, or so-called frugality campaign, touted by the governments as grass-roots campaigns, advise Koreans not to buy foreign goods. The single most effective import barrier continues to be Korea's non-transparent customs procedures, AMCHAM said, also citing dual price-labelling that implies importers were profiteering from their trade practices as an adversary.

AMCHAM advised Korean Government to continue its current all-out crackdown on intellectual property rights violation and step up its punishment on piracy. It proposed revisions in the law provisions of intellecual property rights and computer program protection to raise fines on piracy to 30 million won and expand the categories that come under illegal copies. To protect intellectual property rights of foreign phonograph records, Korea should join the Rome-based international convention on protection of performers, producers of phonographs and broadcasting organizations and extend the protection period to 50 years from its current 20.

AMCHAM pointed out that cartoon characters like Mickey Mouse, Donald Duck, and Snoopy that were around before 1989 lacked such protection. It suggested Seoul reform its trademark legislature so that toys and dolls using these characters fit under violation of intellectual property rights. For true liberalization, the opening of foreign currency market here must be quickened. Korea should scrap its document requirements of actual demad in foreign exchange flucutuation, foreign currency holding limit, and foreign currency dealing.

Korea ought to abolish issuance limit of certificate of deposit, loan liability to small-and medium-sized businessses, curving check on foreign banks, per capita loan limit, business fund limit for branches here, and mortgage limit. Foreign investment in Korea has recently been shrunk because of the complicated approval procedures, difficulites of finding investment funds, high wages, limit in land ownership, and weak intellectual property rights protection, AMCHAM said.

The excessive government intervention and restriction in insurance market have adverse effects on the insurance industry here. The government must allow the insurance companies to be free to introduce new materials, set premium and service range on their own judgement, and offer reinsurance themselves. Foreign insurance companies should have no investment limit like their local counterparts and be allowed to invest in real estate.

Seoul should permit accounting services by foreign certified public accountants with working visas and also allow businesses by foreign certified accountants and incorporated companies without certificates by the Korean Government. The government needs to revise its legislature on incorporated taxation to precisely define branches and offices of foreign incorporated companies.

Foreign companies have to have equal approach to television advertisement as their Korean counterparts for successful market advancement here, AMCHAM pointed out. It urged the Korea Broadcasting Advertisement Corp. to change its methods of advertisement sales and distribution to make its proposal possible. It suggested opening of the Korean telecommunication market, which only has the Korea Telecom and Daecom, and that the two companies be privatized.

Noting narrow rooms for American companies in the cable broadcasting project that began last year, AMCHAM pointed out that the 30-percent ceiling of foreign programs would do little to develop satellite broadcasting industry. It suggested the Communication Ministry allow foreigners' small stake in the industry and announce all technical details of the cable broadcasting system.

Pharmaceutical exports are difficult as the Health and Social Affairs Ministry prohibits registration of imports unless accompanied with a "free sales certicate" that states their sales experience in major foreign markets. The Korean Government pegged at overseas travelling with its frugality campaign, AMCHAM charged and also advised releases of business regulations of hotel health clubs, entertainment spots, and hotels.

ROK-Born American Named Director of UN Information

SK3103042393 Seoul YONHAP in English 0219 GMT 31 Mar 93

[Text] United Nations, March 30 [date as received] (YONHAP)—A Korean-born American journalist has been named director of the Department of Public Information of the United Nations. Samuel Koo, 51, appointed by U.N. Secretary-General Butrus Butrus-Ghali on Tuesday, is the first Korean-born American to hold the position. The former Associated Press correspondent in Rome and husband of cellist Chong Myong-hwa was promoted to the job from the United Nations Children's Fund (UNICEF), where he had been working as a public information officer. His ascendency was a product of his 19-year career in journalism and help from the South Korean permanent mission to the United Nations.

The world body has made a strenuous effort to trim high-ranking officials to streamline the organization since Butrus-Ghali took the helm, so it's hard to get a job with the U.N. Secretariat. Koo will be in charge of U.N. information officials dispatched to 80-odd countries and act as a contact point for a variety of global non-governmental organizations such as Greenpeace and Amnesty International. After his appointment, Koo said that the U.N. hoped to fill 50 percent of its staff positions with women. South Korea, which joined the United Nations in September 1991 along with North Korea, should be more vigorous in sending its nationals to the body, Koo said.

PRC's Electronics Exports Approach ROK Levels

SK3103090293 Seoul YONHAP in English 0623 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—China is closing on South Korea in exports of electronics goods to the United States, sources at the Korea Foreign Trade Association said Wednesday [31 March]. China surpassed Korea in exports to the United States in 1991 and has since stayed ahead in exports of light industrial items such as footwear and textiles. Korea saw a setback in exports of color television sets, refrigerators, computers and air conditioners last year, while China recorded a brisk increase in exports of electronics goods. If the trend continues, China may soon surpass Korea in exports of electronics products to the United States.

Korea exported 146 million U.S. dollars of color television sets to the United States last year, down 26.8 percent from 1991, while Chinese exports increased 49.8 percent to 117 million dollars. Exports of refrigerators to the U.S. market declined 17 percent to 13 million dollars, while Chinese exports rose 20.9 percent to 11 million dollars. Korea exported 981 million dollars of computers last year, down 6.1 percent, while China registered a rise of 83.4 percent to 235 million dollars. At the same time, Korea's exports of refrigerators decreased 26 percent last year while China's rose 209.3 percent. China has been narrowing the gap in areas such as monochrome television sets, telephones and sawing machinery, the sources said.

Daily Views SRV Potential as Major Trade Partner

SK3103072193 Seoul THE KOREA TIMES English 31 Mar 93 p 2

[By staff correspondent Sa Tong-sok]

[Text] Vietnam, which had been sinking into oblivion for the Korean business community for nearly two decades, is surfacing as a crucial trade and investment partner for Korea. Their latest rapprochement got a big boost last December, when the two countries restored diplomatic ties after an 18-year hiatus. Sharply expanding two-way trade is taken as a strong indication of already-deep economic ties.

According to statistics released by the Economic Planning Board, two-way trade between Seoul and Hanoi showed particular expansion in the recent few years, bolstered by a political thaw. As recently as until 1988, trade between the two countries rose at a moderate pace because of the loophole of trade format—mostly indirect trade via Hong Kong-based mediators. Two-way trade increased from about 75 million dollars in 1988 to 86 million dollars in 1989.

But things have changed a lot since 1989. The trade volume nearly doubled to 150 million dollars in 1990 thanks largely to the change of trade format into direct trade. In 1991 the trade volume also reached 240 million dollars, a whopping 60 percent hike buoyed by brisk Korean exports. Last year's statistics signals more encouraging signs to Korean exporters. The two-way trade amounted to about 490 million dollars last year, up nearly 100 percent from 1991.

Most significantly, Korean exports to Vietnam were expanding at an alarming pace while imports from the Southeast Asian country were rising at a slower pace. Korean exports reached a height of 436 million dollars, up as much as 120 percent from 198 million dollars in 1991. But Korean imports rose by a modest rate of 32 percent to 57 million dollars. The rapid rise in exports to Vietnam draws keen attention given Korea's poor trade performances as a whole last year. By item, shipments of steel goods, electrics and electronics, plastics and miscellaneous goods made a big stride.

"We are surprised at the growing pace of our exports to Vietnam but this trend will likely drag on for a considerable time," said officials at Daewoo business group, which has been most active in penetrating into overseas markets. Trade specialists say the signing of economic pacts between Seoul and Hanoi will facilitate the boosting of trade significantly, thus paving the way for full-blown economic cooperation. The two countries are now engaged in intensive negotiations to conclude a string of economic pacts, including one on investment guarantees.

The latest format of economic cooperation between Korea and Vietnam features a rush of direct investment by Korean companies, either small or bit, to look for low-cost production bases. Their renewed focus on Vietnam has been caused by Vietnam's comparative advantage—lower wages than in other Southeast Asian nations and China. Labor costs in Vietnam are among the world's lowest with an average wage of 20 to 30 dollars per month against 70 to 80 dollars in Indonesia, 110-120 dollars in China and 140 to 150 dollars in Thailand.

"Korean businesses are charmed by Vietnam's low wages and their familiarity with the way business is done," a researcher at the Korea Institute for International Economic Policy said. It is generally believed that Koreans find it easier to get accustomed to Vietnamese rules due to their part in the Vietnam War. In addition to wages, labor productivity in Vietnam, standing above average, offers incentives to enter the country. Most Korean businessmen doing business in Vietnam give high marks to Vietnamese' eagerness to work and manual dexterity.

Equally important is comparatively loose competition against Japan and other Western nations in doing business in Vietnam. Japan, which holds a tight grip on economies of Southeast Asian nations, has been less enthusiastic about Vietnam, restricted by the United States-imposed trade embargo. "We are trying to carve out more of a market niche in Vietnam, being less conscious of Japanese ventures' muscle," said a trader.

According to the Bank of Korea's figures, Korea's direct investment in Vietnam amounted to about 225 million dollars in 18 projects at the end of last year on an approval basis. But the amount of actual investment stands at small figures as many companies are making feasibility studies. Most of the Korean investment centers around labor-intensive industries such as textiles, apparel and toys in consideration of lower costs in

Vietnam but many analysts predict the full bloom of joint venture projects between companies of the two countries in the future.

But things are not always pointing to the easy road to foreign ventures. Economists warn of the possible danger of investment in Vietnam. On the one hand, Vietnam boasts of abundant workforces, but on the other, the country remains burdened with the shortage of skilled workers. At the same time, wages of medium-level managers are stuck at high levels, causing foreign ventures to sustain higher labor costs that they expected. The insufficient infrastructure is also cited as the most serious problem that foreign ventures face in doing business in Vietnam.

Kim: Officials Will Not 'Get Rich' From Posts

SK3103071293 Seoul YONHAP in English 0456 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—President Kim Yong-sam said Wednesday that public servants abusing their power to get rich would be appropriately punished, promising it would be impossible for them to make money while in public posts. At a breakfast with the newly appointed heads of 14 state-run research institutes, Kim said the asset disclosures of high-ranking government officials would be recorded as a historical event that established moral standards for Korea in its far-reaching plan to grow and join the family of advanced nations. Among the breakfast guests was Kim Un-yong, president of the Korea Institute of Science and Technology.

In a separate meeting, the president told Yi Hoe-chang, chairman of the Board of Audit and Inspection, to continue with inspections of government agencies until corruption was completely stamped out. Yi had presented an interim report to Kim on the inspections, which started March 23. Commenting on inspections of the presidential Secretariat and the security service, the first in some 20 years, Kim said they should be thorough and focus on their budgets. Any misdeeds should be sternly punished by law, he stressed.

ROK To Replace Vice Minister-Level Officials 1 Apr

SK3103044393 Seoul YONHAP in English 0247 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—The government will name replacements for five vice minister-level officials fired earlier this week on Thursday [1 Apr], an informed source said Wednesday. The officials were fired in connection with controversies over their allegedly immoral or illegal means of amassing wealth.

Ministries with vacancies would select two or three candidates for each of the empty posts and submit their names to the prime minister, said the source, speaking on condition of anonymity. Replacements for the administrator of the Korean National Railroad and a standing member of the Police Committee will be selected by the Transportation and Home Ministries, respectively. The names would be reported to the president on Thursday or Friday and announced soon afterward, he said. Candidates for the chiefs of the prosecutor general's office's central investigation and criminal departments have already been decided, the source added.

Prosecutors Arrest Ex-Assemblyman Kim Mun-ki

SK3103045193 Seoul YONHAP in English 0254 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—The prosecution arrested Rep. Kim Mun-ki on bribery charges Wednesday for allegedly receiving 700 million won (886,000 U.S. dollars) in 1990-1991 in exchange for admitting six students to Sangji University, of which he is chairman of the board of directors. Kim, of the ruling Democratic Liberal Party, is additionally charged with violating the laws on burial and tombs, on land utilization and administration, and on special measures for real estate registration.

The prosecution is also investigating whether he used university money for real estate speculation. Kim resigned from the National Assembly on March 26 amid public outrage over his alleged real estate speculation.

Reform Effects on Business Community Assessed

SK3103073493 Seoul YONHAP in English 0054 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—A mood of sharing the burden of building "a new economy" is spreading across the Korean business community. Labor and management feel more deeply than ever before the need for cooperation and there is a move to stamp out illegal and unfair trade practices, such as under-the-table deals between large companies as prime contractors and small firms as subcontractors. This is a phenomenon not seen in the business community for many years, and a sign of the bright future for the Korean economy.

Choe Chong-hyon, chairman of the powerful Federation of Korean Industries (FKI), promised while visiting the Korea Federation of Small Business last month to provide 5 billion won (6.3 million U.S. dollars) to finance the construction of a laboratory for small- and medium-sized companies. He has thus paved the way for much closer cooperation between large and small businesses. (Choe knows well that one of the bitter public criticisms leveled at large firms in the past was that they turned a cold shoulder to small firms.)

Large business group (chaebol) also started lending a helping hand to small businesses. The Samsung Group has decided to settle accounts payable to its subcontractors within 60 days for smooth fund flows to those small firms and to provide 100 billion won in support of small- and medium-sized businesses.

Hyundai Motor Co. will buy 8 billion won worth of automobile parts from its subcontractors this year by giving its parts and components lines to them, while increasing its financial aid to these small firms. Daewoo Corp., the trading arm of the chaebol bearing the same name, set up a department responsible for support for its subcontractors to increase financial support to them.

Conglomerates are aggressively reformist, especially at the upper rungs of management, to throw their weight behind President Kim Yong-sam's call for revitalizing the economy. Executives at the Ssangyong and Dong-ah Groups recently launched a no-golf campaign in support of Kim's call for business leaders to share the burden of lifting the economy out of the recession. The Hyundai Group has started a "moral reform movement" for better and kinder service to customers.

In response to the chaebol's moves to correct illegal and unfair dealings with subcontractors and increase cooperation with small- and medium-sized firms, owners of small businesses have embarked on a temperance movement of no golf, restrained overseas travel and no luxury cars. They are also striving to modernize and streamline their businesses to invest more in research and development and in equipment, while reducing their heavy reliance on government support.

Labor is restraining pay demands to share the burden. After the government decided to freeze public servants' wages this year and employers represented by the Korea Employers' Association followed suit with a pay freeze for employees of section chief-level and higher, 20 industrial unions under the Federation of Korean Trade Unions resolved to hold down their pay demands to a one-digit rise.

Some observers are cynical about this new wind of temperance, reform and cooperation blowing through the business community, saying it is dying away as fast as similar winds that blew with the launches of previous administrations. Apparently aware of such cynicism, the Kim administration has decided to look into the insider trading practices of the chaebol, which is drawing criticism from the chaebol that it is undesirable when they are in the middle of a self-reform movement. Many observers say the government and the business community should deepen their mutual trust to share the burden of building a new economy, that the government should guarantee autonomous corporate activity, and that corporations should do business in the interests of the nation and discard their egoism.

Labor Ministry To Protect Foreign Employees

SK3103044293 Seoul YONHAP in English 0218 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—The Labor Ministry will take action against employers who mistreat their foreign employees, by breach of contract, for example, and get them to compensate foreign employees injured on the job, the ministry announced on Wednesday. Some employers had hired foreigners and then refused to pay their wages or compensate them for industrial accidents because they were working illegally, the ministry said.

The announcement was virtual recognition that illegal aliens are employed in Korea, where there is a labor shortage in small- and medium-sized manufacturing companies. The ministry said that it had told provincial labor offices to handle complaints from foreigners about unfair labor practices.

DP Leader Yi Ki-taek Discloses Assets

SK3103085193 Seoul YONHAP in English 0659 GMT 31 Mar 93

[Text] Seoul, March 31 (YONHAP)—Rep. Yi Ki-taek, leader of the major opposition Democratic Party (DP), listed assets, including real estate and movables, of 4.6 billion won (5.7 million U.S. dollars) Wednesday. DP lawmakers will register their assets between Wednesday and April 4 for disclosure on April 6.

Yi declared a 198-pyong (653.4-square-meter) house in North Ahyon-tong, central Seoul, valued at 900 million won, an 808.5-square-meter one-story shop in Hapchongtong, Mapo, (2.6 billion won), a 277-square-meter storage space in Pusan (1.1 billion won), a 36,300-square-meter mountain in North Kyongsang Province (4.6 million won), savings of 20 million won, a one-carat diamond (60 million won), three cars, and two paintings of regent Heungsun Taewon, an influential politician and father of Korea's last monarch, King Kojong. His wife, Yi kyong-ui, listed only membership in the Swiss Grand Hotel health club valued at 6 million won.

Defense Ministry Announces Conscription Measures

SK3103060793 Seoul THE KOREA HERALD in English 31 Mar 93 p 3

[Text] Nearly half of draft-age youths will be required to do social work instead of active military service from next year, the Defense Ministry announced yesterday. Announcing a package of conscription reform measures, the ministry said youths who pass the physical checks for conscription will be either enlisted in the Armed Forces or assigned to various social work starting January 1994.

According to Lt. Gen. Chon Yong-chin, chief of the ministry's Personnel Bureau, those who will engage in social work will be assigned to jobs for which the government finds it difficult to secure enough funds. The areas include nocturnal crime fighting, traffic control, forest protection and antipollution activities.

Their service term, which has yet to be fixed, will differ, depending on what work they do, Chon said. Youths who volunteer to do "three D" work, which is "dirty, dangerous and difficult," will have their service term shortened, he said. The "social workers" will be placed under the control of the heads of organizations for which they work, instead of military authorities, he said.

More than 470,000 youths, who are aged 18 or more, are subject to physical checks for conscription every year. Among these, more than 2000,000 are drafted in active service, and the remainder are classified as "short-term soldiers" who serve for 18 months in or out of military camps or are entirely free from military service. The short-term soldier program is to end in January 1995.

South Korea has a standing army of over 600,000. The country has a surplus of draft-age youths at present. Lt. Gen. Chon reaffirmed that draft-age youths who are sons of prominent public figures and rich men who earn over 100 million won yearly will be placed under special supervision by the ministry, along with outstanding athletes, entertainers, medical students and those studying in foreign countries, to ensure that they fulfill their national duty.

Heads of Science, Atomic Research Institutes Named

SK3103052093 Seoul THE KOREA TIMES in English 31 Mar 93 p 3

[Text] Kim Un-yong, vice president of the Korea Institute of Science and Technology (KIST), was appointed as new president of the institute in a meeting of directors Monday. The 56-year-old scientist entered KIST, one of the nation's most prestigious institutes, in 1967, after earning a Ph.D in high molecule from Darmstadt Institute of Technology of Germany. Serving as a senior researcher at the institute for more than 22 years, he became its vice president in 1989.

In the meantime, the Korea Atomic Energy Research Institute appointed Sin Chae-in, director for management of nuclear environment, its new president in a meeting of the board of trustees yesterday. Sin, 50, who graduated from Seoul National University, earned a doctor's degree in nuclear engineering from Massachusetts Institute of Technology (MIT) in 1975. He served as a technology consultant for U.S. Nutech International and as chief of research and development at the Korea Electric Power Corporation.

Business Indicators Show Signs of Slight Recovery

SK3003140193 Seoul YONHAP in English 1211 GMT 30 Mar 93

[Text] Seoul, March 30 (YONHAP)—Domestic business in February showed some signs of recovery and when the "100-day plan for new economy" gets into the full swing, the pace of recovery is expected to pick up speed a little more. The trend of February industrial activities made public by the Office of Statistics on Tuesday showed that industrial activities swelled 6.4 percent in February over a year before. This is compared with a 5.2 percent decrease in January from the same month of last year.

The favorable turn of industrial activities in February was attributable in a large part to the fact that working days were two days more than those of last year's February. Allowing for this seasonal factor, a real increase was 2.6 percent.

Commodities shipment grew 6.4 percent over February of 1992. When a seasonal factor is adjusted, the real growth was 2.1 percent, which compares with a 1 percent decline in January. The operation rate of manufacturers plants stood at 77.9 percent in February, up 1 percentage point over January.

The total floor space of construction authorized in February represented a rise of 32.8 percent over a year before, led by a sharp 105.4-percent increase in commercial buildings. The floor space of industrial buildings allowed to be built showed a decline of 32.6 percent from February 1992, indicating that construction of new factories remains sluggish.

Consumption swelled 9.3 percent over a year before led mostly by a substantial increase in demand for electric home appliances, construction materials and farm chemicals. Shipment of consumption goods rose 9.9 percent as a whole. Shipment of durable consumption goods such as cars and electric home appliances jumped 26.7 percent whereas that of non-durable goods increased slightly.

In employment, economically active people swelled 276,000 people over a year before, with the unemployed totaling 634,000 or 3.4 percent compared with 3.0 percent in January. The number of employed people decreased 319,000 in the mining and manufacturing sector in February from the same month of 1992, whereas they rose 11,000 in the area of agriculture, forestry and fisheries and 514,000 in the tertiary industry such as social overhead capital. Cho Hwi-kap, director of Statistical Research Bureau of the Statistics Office, said the domestic business would gradually turn better in the days to come as both domestic and exports demand is expected to recover fueled by the government's new economic policies.

Burma

SLORC Increases Public Service Personnel Wages

BK2703115793 Rangoon Radio Burma in Burmese 1330 GMT 26 Mar 93

[Ministry of Finance and Revenue Notification No. 15/93; issued 26 March]

[Text] Subject: Increase in salary scale, pension, and wages for public service personnel:

I. The salaries and wages for public service personnel were reviewed and increased for the first time on 1 April 1948. It was later revised and increased for the second time on 1 October 1972. Public service personnel were granted temporary living allowances and extra allowances from time to time to supplement wages to account for the increase in the cost of living. Furthermore, the salaries were increased for the third time on 1 April 1989 to decrease the widening gap between the cost of living and salaries; to ease food, clothing, and shelter needs; and to boost production forces.

The increased salaries of public service personnel:

II. The Defense Services is continuously safeguarding the livelihood of the people, and in order to ease food, clothing, and shelter needs of public service personnel and to honor the Armed Forces Day, the state government has decided to again increase the salaries of public service personnel.

III. Therefore, the salaries of public service personnel employed in various positions in accordance with the organizational chart of the government departments and organizations are increased at least 25 percent of their basic salaries as follows: A. current salary scale 450-25-600 Kyats, new salary scale 600- 25-750 Kyats;

B. current salary scale 625-25-725 Kyats, new salary scale 800- 25-900 Kyats;
C. current salary scale 750-25-850 Kyats, new salary scale 950- 25-1050 Kyats;
D. current salary scale 875-25-975 Kyats, new salary scale 1100- 25-1200 Kyats;
E. current salary scale 1000-25-1100 Kyats, new salary scale 1150-25-1350 Kyats;
F. current salary scale 1125-25-1225 Kyats, new salary scale 1425-25-1525 Kyats;
G. current salary scale 1250-25-1350 Kyats, new salary scale 1575-25-1675 Kyats;
H. current salary scale 1400-50-1500 Kyats, new salary scale 1750-50-1850 Kyats;
I. current salary scale 1800 Kyats, new salary scale 2250 Kyats;
J. current salary scale 1900 Kyats, new salary scale 2375 Kyats;
K. current salary scale 2000 Kyats, new salary scale 2500 Kyats; Note: increments are to be allowed once a year.

IV. The annual increments shall be computed with the new salary scale when it comes into effect. The annual increment dates shall not be affected with this new salary scale.

V. Further coordination concerning the salary increases shall be done with the Budget Department.

The increased pensions and allowances:

VI. Like public service personnel, persons who are currently receiving pensions and allowances have been allowed to enjoy a 25 percent increase in their p ions and allowances.

VII. Further coordination concerning the increased pensions and allowances shall be done with the Pension Department.

The increased daily wage:

VIII. The daily wages of daily wage workers at government departments and organizations for an 8-hour workday is increased from 15 Kyats to 20 Kyats. In future, there must be only one daily wage rate of 20 Kyats.

The increased salary scale, ration money, and pension for Defense Services personnel:

IX. The salary scale, ration money, and pensions for personnel of the Army, Navy, and Air Force shall be increased by at least 25 percent of their current salary scale, ration money, and pensions with the approval of the Defense Council of the Ministry of Defense.

The allowances for public service personnel working abroad:

X. Public service personnel of the Foreign Affairs Ministry and other similar public service personnel working abroad will receive the same increased salary scales and the difference in salaries due to the increased salary scales will be given in foreign exchange.

The right to work overtime:

XI . The following should be followed with regards to overtime;

A. Overtime not exceeding five days per month is allowed with the approval of the director general or managing director of the department and organization concerned.

B. If there is a need due to importance to work more than five days overtime a month, it shall be done with the approval of the deputy minister concerned or his designate.

C. The overtime wage shall be calculated at 100 percent of normal wage for public service personnel earning increased salaries at the scale of 1125-25-1200 Kyats and less.

Effective Date:

XII. The effective date of this notification is 1 April 1993.

Signed: Brigadier General Win Tin, minister of Finance and Revenue.

Ministry Issues Order on Tax Exemption on Salary

BK3103031293 Rangoon Radio Burma in Burmese 0130 GMT 31 Mar 93

[Text] It has been learned that the Ministry of Finance and Revenue of the Union of Myanmar [Burma] has issued Order No. 19/93 on income tax exemption and monthly salary relief on 30 March.

Indian Delegation Arrives in Rangoon

BK3003070093 Rangoon Radio Burma in Burmese 0130 GMT 30 Mar 93

[Text] At the invitation of the Ministry of Foreign Affairs of the Government of Union of Myanmar [Burma], a delegation led by Mr. J.N. Dixit, foreign secretary of the Ministry of External Affairs of the Government of Republic of India, arrived in Yangon [Rangoon] by air on 29 March in the evening.

The delegation was welcomed at the airport by Deputy Foreign Minister U Nyunt Swe, responsible personnel from the Ministry of Foreign Affairs, Indian Ambassador G. Parthasarathy, and members of the Indian embassy.

Drug Abuse Control Agreement Signed

BK3103015093 Rangoon Burma Television Network in Burmese 1330 GMT 30 Mar 93

[Text] A delegation from the Ministry of External Affairs of India led by Mr. J.N. Dixit, foreign secretary, which is currently visiting Yangon [Rangoon] at the invitation of the Ministry of Foreign Affairs of the Government of the Union of Myanmar, called on U Ohn Gyaw, foreign minister at 0900 today in the annex of the Ministry of Foreign Affairs. The delegation was accompanied by Mr. G. Parthasarathy, Indian ambassador.

Following the meeting, the Indian delegation led by J.N. Dixit, foreign secretary of the Ministry of External Affairs of India, held cordial and frank talks on matters of mutual interests with the Myanmar delegation led by U Nyunt Swe, deputy foreign minister, in the conference hall in the Annex of the Ministry of Foreign Affairs.

Present at the meeting with Deputy Foreign Minister U Nyunt Swe were directors general and responsible officials from the Ministry of Foreign Affairs, the Trade Ministry, and the Ministry of Home Affairs. Present at the meeting with the Indian foreign secretary were: Mr. H.P. Kumar, acting director general of the Narcotic Drugs Control Board; Mr. B.P. Singh, joint secretary of the Ministry of Home Affairs; Mr. R.K. Bhatia, joint secretary of the Ministry of External Affairs; Mr. S.S. Ahluwalir, deputy secretary of the Ministry of Commerce; and Mr. G. Parthasarathy, Indian ambassador.

At 1500, the visiting foreign secretary and his delegation, accompanied by the Indian ambassador to Myanmar, called on Brigadier General Win Tin, minister of finance and revenue, at the Central Bank of Myanmar. At 1600, the visiting foreign secretary and his delegation called on Lieutenant General Mya Thinn, minister of home affairs at the Office of the Cabinet.

Following the meeting, Police Colonel Ngwe Soe Tun, on behalf of the Myanmar Central Committee for Drug Abuse Control and Mr. H.P. Kumar, acting director general of the Narcotic Drugs Control Board, on behalf of the Narcotic Drugs Control Board of India, signed and exchanged the Myanmar-Indian Agreement on Bilateral Cooperation in Control and Prevention of Narcotic Drugs and Psychothropic Substances in the conference hall of the Ministry of Home Affairs.

Khin Nyunt Receives Indian Minister

BK3103131493 Rangoon Radio Burma in Burmese 1200 GMT 31 Mar 93

[From the "News in Brief" program]

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received visiting Foreign Secretary Mr. J.N. Dixit from the Ministry of External Affairs of India at the Ministry of Defense's Dagon House at 0900 today.

Agriculture Minister, Delegation Leave for PRC

BK3103131093 Rangoon Radio Burma in Burmese 1200 GMT 31 Mar 93

[From the "News in Brief" program]

[Text] At the invitation of the minister of agriculture of the People's Republic of China, a Myanmar [Burmese] delegation led by Agriculture Minister Lieutenant General Myint Aung left Yangon [Rangoon] by Myanmar Airways at 1330 today to attend the opening ceremony of the third international trade fair to be held in Beijing on 2 April and for a study tour.

SLORC Names Eastern Area Commander as Army Chief

BK3103143493 Rangoon Radio Burma in Burmese 1330 GMT 31 Mar 93

[Notification No. 10/93 of the State Law and Order Restoration Council [SLORC]; issued on 31 March 1993]

[Text] Appointment of the Army Commander in Chief and Deputy Defense Services Commander in Chief

1. The SLORC has appointed Lieutenant General Maung Aye, BC 7875, commander of Eastern Military Command, as army commander in chief effective 27 March.

2. Lt. Gen. Maung Aye is to assume responsibilities as deputy defense services commander in chief concurrently.

By the order vested in me,
Signed: Khin Nyunt, lieutenant general, secretary-1 of SLORC

Brunei, Malaysia & Singapore

Malaysia

Peacekeeping Force To Go to Somalia in June

BK3103054693 Kuala Lumpur BERNAMA in English 0402 GMT 31 Mar 93

[Text] Kuala Lumpur, March 31 (OANA-BERNAMA)—A Malaysian military force will be dispatched to Somalia for United Nations peacekeeping duties in June, Defence Minister Najib Razak said Wednesday. The UN operation in the war-torn nation in the Horn of Africa would be the largest ever undertaken by the Malaysian Armed Forces as it involved elements of the Army, Navy, and Air Force, he added. The cabinet approved the sending of the force at its March 18 meeting after a request was made by the UN headquarters through the Foreign Ministry early this year, he said here.

Najib said the force to be deployed comprised 850 men from the 19th (Mechanised) Royal Malay Regiment, two Navy supply ships and five Air Force helicopters. The deployment of the helicopters, however, would depend on further confirmation from the world body, he added.

Army Chief General Borhan Ahmad, who accompanied Najib on today's tour, said the troops would be deployed for a minimum of one year. This would also be the first time that the armed forces would be involved in peacekeeping and peace enforcement duties in Africa since Malaysian troops served in the Congo in the 1960's. Malaysia has also sent troops to serve with the UN Namibia and a ranger battalion is serving with the UN Transitional Authority in Cambodia.

The mechanised battalion, equipped with armoured personnel carriers and other support vehicles, was selected for the job due to the arid terrain and peace enforcement role, Borhan said.

Mahathir Leaves for Visits to Uzbekistan, Iran

BK3103055093 Kuala Lumpur BERNAMA in English 0409 GMT 31 Mar 93

[Text] Kuala Lumpur, March 31 (OANA-BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed Wednesday left for official visits to Uzbekistan and Iran. He was accompanied by his wife Dr. Siti Hasmah Mohamed Ali. His entourage includes a 31-member delegation comprising cabinet members, chief ministers, senior government officials and and more than 50 businessmen seeking to explore investment opportunities there.

Dr. Mahathir's first stop is Uzbekistan, where he will hold talks on bilateral, regional and international matters with President Dr. Islam A. Karimov and Prime Minister Mutalov. This is Dr. Mahathir's first visit to Uzbekistan after it gained independence last year. He visited the former Soviet republic in 1987. Karimov was in Malaysia last June.

On the second day, the Malaysian delegation will visit Tashkent, following which the prime minister will lay a wreath at the national monument, visit an aviation industry and meet businessmen. Dr. Mahathir will go to Bokhara on April 2 before leaving for Tehran the next day for a four-day visit at the invitation of President Akbar Hashemi-Rafsanjani. He is scheduled to call on Hashemi-Rafsanjani the same day. On April 4, Dr. Mahathir will hold discussions with Iranian businessmen, while on April 6 he would visit the Qeshm free trade zone on Qeshm island in southern Iran.

U.S Trade Figures Post 'Largest Growth'

BK3003134393 Kuala Lumpur NEW STRAITS TIMES in English 29 Mar 93 p 16

[Text] Malaysia's trade with the United States recorded the largest growth in terms of value last year, rising by a whopping 12.47 percent to RM35.362 billion [Malaysian ringgit] over the previous year.

Trade with the US accounted for 17.23 percent of total trade last year compared with 16.09 percent or RM31.441 billion in 1991.

Malaysia's total trade was valued at RM205.191 billion last year from RM195.327 billion the previous year.

The US continued to be Malaysia's biggest customer for thermionic valves and tubes, and photocells, and apparel clothing and accessories.

Thermionic valves and tubes, and photocells exports to the US was valued at RM5,206.55 million in 1992 compared with RM4,684.18 million the previous year.

These items are vital components for the electrical and electronics industry.

Commodity-based exports accounted for a sizeable portion of exports. They comprised rubber, tin, processed palm, palm sterin and cocoa beans.

Similarly, Malaysian imports from the US were led by machinery and transport equipment which totalled RM12,382.50 million and chemicals RM1,059.89 million.

However, ASEAN neighbours and North East Asia (NEA) continued to be Malaysia's largest trading partners, accounting for a combined 66.45 percent of its global trade last year.

Trade with ASEAN and NEA accounted for 57.84 percent of Malaysia's total trade in 1991.

Trade with the NEA countries comprising Korea, Taiwan, Hong Kong and China and Southeast Asia reported a rising trend, with ASEAN recording a 7.48 percent jump in volume and NEA, 8.56 percent.

Trade volume with Japan shrank by 2.38 percent in 1992 over the previous year owing to the rising yen and capital shortage.

Malaysia's trade with Japan was valued at RM40.148 billion last year compared with RM41.128 billion in 1991.

The trade figures, released by the Department of Statistics, reflected Malaysia's growing dependence on trade with the Asian region despite the emergence of new markets.

Radio Urges ASEAN Commitment to AFTA

BK3003144993 Kuala Lumpur Voice of Malaysia in English 0800 GMT 30 Mar 93

[Station commentary]

[Text] As ASEAN embarks on its quest to become a free market, an important ingredient for its success is, of course, commitment. The six member countries should show more of it, especially on their timing to cut import-free trade barriers between themselves. Graduated tariff cuts began in January this year under the Common Effective Preferential tariff, CEPT, scheme—the mechanism to implement the Asean Free Trade Area or AFTA.

Malaysia and Singapore have started putting details beginning 1 January, under AFTA's fast track program. Thailand and Indonesia, which have high import duties, would only start implementing the fast track reduction from 1995. But, unfortunately, the scheme is being flayed by protectionist lobby from certain countries. Foreign exchange controls are being used by some ASEAN neighbors to curb imports. Other obstacles include import licensing and non-tariff barriers.

Malaysia's private sector has expressed concern that by fast reducing tariffs it could expose Malaysian industries to stiff competition from other ASEAN countries. There are also signs that some of the ASEAN countries are not putting their whole effort to match Malaysia's action. This, of course, says that blaming the field would not be level. Some assurance is needed for those who reduce duties earlier that they would not be in a disadvantegous position for business opportunities in ASEAN. Firm measures should be taken to ensure that manufacturers of one country are not short-changed by others to lessen their practises by other ASEAN countries.

Some problems were experienced under past ASEAN economic cooperation such as the Preferential Tariff Arrangement—the PTA scheme. This is where the role of the AFTA council comes into play, that is, to ensure a balanced and equitable implemention of the CEPT. No doubt there will be problems along the way but the council has to be firm in settling trade disputes. The council has to bear in mind that any unsettled trade issue may hamper AFTA from becoming a reality. Nevertheless, short-fund imbalances may occur where some countries will pay more, especially from the different payment of import duty cuts.

Here it is important that countries do not take advantage of the (?time life) between cutting duties to dump into a market. What is needed is for ASEAN manufacturers to strive for competitiveness in the regional market. If they can do it successfully, there is no reason why they cannot look at the international market or AFTA.

ASEAN countries, therefore, should take a holistic view instead counting losses in specific sectors or activities. After all, the potential of the ASEAN market with a combined population of 320 million people and gross national product of U.S. $300 billion is enormous. At the same time, it would be a challenging (?effort) in drawing investments into the region. So, industries which are still being protected have to get their act together. Ultimately, they have to go for regional competitiveness. Recognizing this, ASEAN members have agreed for a transitional period and adjustment mechanism for these industries to stand on their own feet. At a time when changes are happening too fast to the global and the regional economic environment, these industries cannot afford to idle. In this way, not one of the six ASEAN countries have to run the race alone to achieve a free trade area. Total commitment would surely see all six emerging winners.

Central Bank Predicts 1993 Economic Growth

BK3003115793 Kuala Lumpur Voice of Malaysia in English 0800 GMT 30 Mar 93

[Text] The Malaysian economy is forecast to grow between 7.5 and eight percent this year. The Central Bank—Bank Negara—in its annual report said, however, that growth of 7.6 percent is to be a reasonable average for those who prefer to remain conservative. This conservative forecast took into account the reasonable record of slow global revival in the phase of growing uncertainties and the threat of rising tension in the world economy.

However, growth prospects could surpass 7.6 percent if some of the uncertainties in the international and domestic fronts could be resolved satisfactorily this year. Given the scenario, the bank says the growth rate of eight percent for 1993 is well within reach. It said serious constraint to infrastructure and labor supply point to a greater caution in [passage indistinct], and their low growth prospects have dampened the outlook.

At the same time, the outcome of the Uruguay Round of multilateral trade negotiations still remains fraught with uncertainties and the prospects of an early conclusion appear to be dim. However, Bank Negara is positive that the strong fundamentals underlying the Malaysian economy, which have been built up over the last six years, should be able to sustain another year of continued growth.

Meanwhile, the governor of the Central Bank said increasing investments, high domestic interest rates, and the stronger ringgit led Malaysia to record a significant increase to the flow of capital funds in 1992. It accrued by 32 percent or 15.6 billion ringgit to 64.4 billion ringgit last year compared with 1991.

Tan Sri Jaafar Hussein said prospects of savings remain the most important source of funds, accounting for 28.7 billion ringgit or 44.6 percent—from 20.1 billion ringgit in 1991—of total fund flows, while the share of gross national product [for] savings grew to 20.5 percent last year from 15.6 percent.

RTM, TV Asahi Sign Cooperation Agreement 30 Mar

BK3003074693 Kuala Lumpur BERNAMA in English 0705 GMT 30 Mar 93

[Text] Kuala Lumpur, March 30 (OANA/BERNAMA)—The government-owned television station, Radio Television Malaysia (RTM) Tuesday signed a cooperation agreement with the Japanese television, TV Asahi.

RTM was represented by its Director of Programmes, Mohamed Salleh Pateh Akhir while TV Asahi by a member of its Board of Directors, Kyuemon Oda [name as received].

The director-general of broadcasting Jaafar Kamin was also present.

Mohamed Salleh told reporters after the signing ceremony that the agreement covered exchange of news items and documentaries.

Both stations would also provide assistance to each other in terms of personnel and equipment for news coverage [word indistinct] requested to.

TV Asahi will also provide training to officers of the broadcasting department under the terms and conditions to be worked out later, he said.

Mohamed Salleh said TV Asahi had emerged as a renowned station in the Asia-Pacific region because of its quality and interesting programmes especially on news and education.

The agreement will also indirectly help to strengthen existing ties between the two countries, he said.

Singapore

Cambodians Urged To Ensure Safety of UN Personnel

BK3003115193 Singapore THE STRAITS TIMES in English 30 Mar 93 p 3

[Text] The Singapore Government has urged all Cambodian parties to ensure the safety of UN personnel on peacekeeping duty in Cambodia.

A spokesman for the Ministry of Foreign Affairs said yesterday that Singapore deplored the death of the Bangladeshi soldier serving under UNTAC [UN Transitional Authority in Cambodia].

He said: "The Singapore Government calls on all Cambodian parties to ensure the safety of UN personnel performing their peacekeeping duties in Cambodia."

Increase in Non-Oil Exports 'Impressive'

BK3003140193 Singapore BUSINESS TIMES in English 30 Mar 93 p 1

[By Schutz Lee]

[Text] Singapore—Shipments of non-oil domestic exports from Singapore grew strongly by 32.6 per cent in February, compared to 3.3 per cent growth in January when the Lunar New Year festivities held back exports.

Analysts and economists said the February surge in exports was expected considering that the Chinese New Year fell in February last year. The 32-per-cent growth, measured against last February, was computed on a low base, they said.

"While it is a pleasant surprise, the February numbers are nothing like the December numbers," said the economist with Nomura Research Institute.

He was referring to the stir caused by the 45-per cent jump in the volume of non-oil domestic exports for December, which sparked a 24-point rally in the stock market.

The trade figures released by TDB [Trade Development Board] yesterday did not have as much impact on the market, which put on just under 10 points to 1,670.72.

Nevertheless, analysts said the figures were impressive. They showed broad-based improvements across all markets, compared to a month ago.

With the exception of oil exports, which remained sluggish, all other categories of Singapore's trade performed better in February than in January.

For non-oil domestic exports, the electronics sector remained the driving force. TDB said the February growth came from items such as integrated circuits, disk drives, printers, microcomputers, computer parts and peripherals, and telecommunication equipment. Among the major markets, the European Community [EC] was the star performer, growing by 70 per cent in volume terms. This was followed by Japan, which increased its intake of Singapore-made goods by 59 per cent.

Some analysts said they were surprised by the demand from both the EC and Japan, despite their recessionary conditions.

On the other hand, exports to the US expanded by 30 per cent in February. Despite its economic recovery, US-bound exports in the first two months of the year improved by only 8.8 per cent.

Meanwhile, shipments to Malaysia increased by 12.5 per cent in February, compared to 35 per cent a month earlier.

As for imports, Singapore purchased 27 per cent more in February. This included an aircraft and two oil tankers.

There was also 22 per cent more re-exports from Singapore in February. In value terms, total trade for February increased 26.9 per cent to $19.1 billion, with a merchandise trade deficit of $2.1 billion.

Cambodia

KR Radio Reports Grenade Attack in Phnom Penh

BK3103030893 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 93

[Text] Reports from Phnom Penh say that on 28 March grenades were lobbed at a Vietnamese restaurant in Phnom Penh killing two Vietnamese. The reports say that the persons throwing hand grenades into the Vietnamese restaurant are Phnom Penh puppet soldiers who quarrelled with the Vietnamese restaurant owners.

The reports say that a few days earlier UNTAC [UN Transitional Authority in Cambodia] staff and puppet soldiers and policemen came to eat at this Vietnamese restaurant. However, these Vietnamese refused to sell to the puppet soldiers and policemen; food was sold only to UNTAC staff. The Vietnamese say that they do not take riel currency; they need dollars. This really angered the puppet soldiers and policemen who said among themselves: We ought to be clear by now about these Vietnamese; the situation has clearly confirmed that the Vietnamese have come to commit aggression against Cambodia and to be masters of the Cambodian nation and people; they have taken over everything—land, meat, fish, houses, and small shops. Now these Vietnamese are very arrogant; they rely on UNTAC giving them rights and adopting laws protecting them. They rely on traitors and one-eyed Hun Sen, Heng Samrin, and Chea Sim. The Vietnamese are now flooding Cambodia; they have plundered land, rice fields, fishing lots, trading stalls in markets. The Vietnamese are everywhere taking up all kinds of professions: bicycle and motorcycle mechanics, peddlers, and prostitutes.

The people say that if we, Cambodians, close our eyes for another wink, we will be trampled to death by the Vietnamese. Clearly realizing this danger, the Cambodian people everywhere, in rural and urban areas and in lakes and rivers, can no longer put up with these Vietnamese. The people say: We no longer rely on UNTAC and the Supreme National Council because all UNTAC staff are doing is cuddling Vietnamese women while the SNC has no power whatsoever. Therefore, for them and the nation to survive as Cambodians, the Cambodian people have to fight and solve the Vietnamese issue themselves.

UN Giving Armed Protection to Fleeing Vietnamese

BK3103084893 Hong Kong AFP in English 0828 GMT 31 Mar 93

[Text] PHNOM PENH, March 31 (AFP)—The United Nations said Wednesday it had begun armed patrols to protect Vietnamese who are fleeing Cambodia by the thousands to escape the Khmer Rouge's ethnic cleansing campaign.

The armed U.N. peacekeeing patrols would "provide a presence to deter acts of violence and deter extortions," U.N. Transitional Authority in Cambodia (UNTAC) spokesman Eric Falt said.

"They will also defend the people if they are attacked," he said. "They will have the right to deter (any) aggression, using force if necessary."

More than 1,000 boats carrying ethnic Vietnamese families were headed by river for the Vietnamese border, Falt said.

With seven to 12 people per boat, this gave a total of 7,000 to 12,000 individuals.

UNTAC said that only three to five men were manning the boats in the most dangerous stretch where the Tonle Sap river branches from the Tonle Sap lake, the scene of the latest massacre by the Khmer Rouge.

The women and children were coming by road and meeting the boats at Phnom Penh, where the Tonle Sap river becomes the Tonle Bassac, Falt said.

"We are watching this movement of population with considerable concern," he said.

Falt said the U.N. patrols had significantly decreased acts of extortion by Phnom Penh authorities along the river.

UN Spokesman Comments on Grenade Attacks

BK3103092093 Hong Kong AFP in English 0858 GMT 31 Mar 93

[Text] PHNOM PENH, March 31 (AFP)—The United Nations said Wednesday that a series of grenade attacks against the Vietnamese community in the Cambodian capital was carried out with military precision.

"According to the pattern of the attacks, it would seem to suggest some sort of military involvement," U.N. spokesman Eric Falt said. "It was done in a coordinated fashion in close sequence. The targets were very precise," he said.

Falt would not say which military faction in Cambodia had the capacity to stage such an attack, only that a U.N. investigation was ongoing. The death toll from Monday night's blasts at four Vietnamese-owned cafes and brothels was expected to climb as one of the injured was not expected to live, Falt said.

Two people were killed and a 27 to 29 people injured, he said raising the injury toll from 20 the previous day. "First reports indicate these attacks were aimed at causing fear and panic within the Vietnamese community," Falt said. The blasts caused more Vietnamese—many born in Cambodia—to join the exodus to Vietnam. Relatives of the victims said they would seek refuge in Vietnam by the end of the week.

More than 7,000 people have now been estimated to be heading for the border fleeing racial hatred.

Sihanouk Condemns Death of UN Peacekeeper

BK3103061793 Hong Kong AFP in English 0524 GMT 31 Mar 93

[Text] Phnom Penh, March 31 (AFP)—Cambodia's Prince Norodom Sihanouk condemned Wednesday the weekend battle between U.N. peacekeepers and suspected Khmer Rouge guerrillas that left one Bangladeshi dead.

"I condemn with the greatest severity this criminal act which nothing can justify," he said in a statement issued by the Royal Palace here. He expressed condolences for the family of the Bangladeshi peacekeeper who was killed, calling it an "impardonable crime committed by a group of my compatriots."

"We absolutely condemn (these kinds of attacks) and launch a new pressing and urgent appeal that all attacks against U.N. civilians or military personnel cease henceforth," the prince said.

The prince, head of the country's Supreme National Council (SNC) which groups the four warring factions under U.N. supervision, has been at his second residence in Beijing since returning for his aunt's funeral in mid February. He was due to return Friday for the visits of the heads of the U.N. High Commissioner for Refugees, Sadako Ogata, and U.N. Development Programme, William Draper, and the U.N. Secretary General Butrus Butrus-Ghali.

Ogata and Draper arrive Thursday, while Butrus-Ghali is due April 7-8 to launch the beginning of the campaign for the U.N.-run election in May. Prince Sihanouk was scheduled to leave Cambodia again on April 14 for Pyongyang for the birthday celebrations of his long-time friend Kim Il-Sung.

UNTAC: Government Alibi 'Groundless'

BK3103100093 Hong Kong AFP in English 0950 GMT 31 Mar 93

[Text] Phnom Penh, March 31 (AFP)—The United Nations said Wednesday that the government's explanation for shooting dead a Bangladeshi peacekeeper by mistake at a road checkpoint is groundless. The man, identified as Mohammad Abdur Rouf, 57, was shot dead at a government checkpoint set up in downtown Phnom Penh after a series of grenade blasts Monday night, U.N. spokesman Eric Falt said. Falt said three Bangladeshis—Rouf, a civilian police officer and a businessman—were in the car, and the police officer had his ear grazed by a bullet. A government spokesman said a car traveling immediately in front of the Bangladeshis' car had shot at the checkpoint, causing officials to return fire and hitting the Bangladeshi car by mistake.

"Nothing substantiates claims by (the government) that a second car was involved and fired at the checkpoint, thus causing (the authorities) to fire or return fire," Falt said. Falt said the car's occupants admitted to passing the checkpoint without stopping because they were busy talking and because the checkpoint was partially obscured by a truck on the side of the road.

"There are other ways to stop the vehicle," he said. "We have to understand more fully the reasons for the shooting." He said the matter would be discussed with the Phnom Penh authorities.

Khmer Rouge Warn Sihanouk in Danger in Capital

BK3103113793 Hong Kong AFP in English 1110 GMT 31 Mar 93

[Text] Bangkok, March 31 (AFP)—The radical Khmer Rouge have urged Prince Norodom Sihanouk to stay away from Phnom Penh because of the possibility of an assassination attempt by an unidentified "enemy." The warning came in a letter to the prince by Khmer Rouge leader Khieu Samphan which was revealed in a release issued by the prince's office here.

Prince Sihanouk, chairman of Cambodia's Supreme National Council which groups all four factions in the run-up to United Nations- organised elections in May, is currently in Beijing.

"We have reached the conclusion that the enemy is in a position to dispatch small commando units to liquidate Samdech (the prince), our national leader" if he retruns to Phnom Penh," the letter dated Tuesday said. Prince Sihanouk was due to return Friday to Phnom Penh ahead of a visit there next week by U.N. Secretary General Butrus Butrus-Ghali.

The release did not indicate whether the 70-year-old prince intended to heed the Khmer Rouge warning and cancel his return to Cambodia. In a statement released by the royal palace in Phnom Penh earlier Wednesday, Prince Sihanouk condemned the weekend battle between U.N. peacekeepers and suspected Khmer Rouge guerrillas that left one Bangladeshi dead.

"We absolutely condemn (these kinds of attacks) and launch a new pressing and urgent appeal that all attacks against U.N. civilians or military personnel cease henceforth," the prince said.

Khmer Rouge Leader Calls for New Bank Notes

BK3103032793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 93

[Statement by Khieu Samphan, chairman of the Party of Democratic Kampuchea and member of the Supreme National Council, dated 30 March; read by announcer]

[Text] During the more than a year since UNTAC [UN Transitional Authority in Cambodia] arrived in Cambodia, it has pressured the Supreme National Council [SNC] and His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and SNC chairman, in an attempt to use the names of the SNC and HRH Prince Norodom Sihanouk, head of state and SNC chairman, to successively ask for international assistance and to borrow money from various international banks to save the puppet regime, Vietnam's lackey, in order to enable the Vietnamese aggressors and their puppets to continue their war of aggression and occupation in Cambodia.

The credibility of the puppet riel currency is rapidly deteriorating. People do not use it; traders and merchants refuse to accept it. In Phnom Penh, Siem Reap, Kompong Thom, Kompong Cham, as well as in other provinces and townships, large and small, traders have closed their shops and stopped their trading activities. Cambodian soldiers in the Phnom Penh Army, Vietnam's lackey, have not been paid for many months, and when they are paid, they cannot use the money. Entire units of the puppet troops have thus mutinied. The Vietnamese, their puppets and lackeys, and UNTAC and its allies inside and outside UNTAC are panicking.

In such a situation, UNTAC and its allies have frantically dispatched a representative to see HRH Prince Norodom Sihanouk, head of state and SNC chairman, in Beijing in an attempt to pressure the prince to sign a document allowing the puppet regime to borrow $65 million to save itself from crumbling. HRH Prince Norodom Sihanouk told this UNTAC representative to discuss the issue at the SNC meeting on 4 April 1993.

UNTAC and its allies inside and outside UNTAC are pressuring the SNC and HRH Prince Norodom Sihanouk in an attempt to use the names of the SNC and HRH Prince Norodom Sihanouk, head of state and SNC chairman, to borrow money from the World Bank. The downhill slide of the Vietnam lackey puppets' riel bank notes is the result of the persistent, arduous, and comprehensive struggle for nearly 15 years waged by the Cambodian nation and people against the Vietnamese enemy aggressors and their puppets and lackeys, dealing them successive setbacks on one strategy after another and in one stage after another. The fact is that the credibility of the Vietnam lackey puppets' riel bank notes has been deteriorating for a long time and over the course of many incidents. The currency has been rescued by dollars brought in by UNTAC and its allies over the past year, thus enabling them to survive up to now. Now UNTAC and its allies inside and outside UNTAC have been shamefully disgraced in the implementation of their bad strategy to destroy the Cambodian nation and people near the time when UNTAC is due to withdraw. It is in such a situation that UNTAC and its allies inside and outside UNTAC have pressured the SNC and HRH Prince Norodom Sihanouk, head of state and SNC chairman, in an attempt to use the names of the SNC and HRH Prince Norodom Sihanouk to borrow money from the World Bank. The aim of UNTAC and its allies inside and outside UNTAC is to save the regime, Vietnam's puppet and lackey, and enable the Vietnamese aggressors to continue their war of aggression and occupation in Cambodia until the completion of the UNTAC-organized elections, and then use the elections to legitimize Vietnam's puppet and lackey regime to enable the Vietnamese aggressors and their puppets to occupy Cambodia forever and transform Cambodia into a second Kampuchea Kraom [former Cambodian territory now part of southern Vietnam].

This is further evidence showing that UNTAC and its allies inside and outside UNTAC have come to Cambodia not to implement the Paris agreement and not to cooperate with the SNC to verify the withdrawal of the Vietnamese aggressor forces from the country. Instead, they have come to collude with Vietnam and its puppets and lackeys to maintain Vietnam's puppet and lackey regime as well as the Vietnamese aggressor forces in order to allow the latter to continue occupying Cambodia forever, to destroy the Cambodian national resistance forces, and especially to destroy Democratic Kampuchea [DK], and through this, the Cambodian nation.

The Cambodian nation and people and the Party of Democratic Kampuchea [PDK] will absolutely not agree to allow the Vietnamese aggressors and their puppets to carry on the war of aggression and occupation to destroy the Cambodian nation and people. The PDK has again and again denounced and condemned the strategy of UNTAC and its allies inside and outside UNTAC to collude with Vietnam and its puppets and lackeys to annihilate the Cambodian people. The PDK appeals to SNC members and other nationalist parties to absolutely forbid UNTAC and its allies inside and outside UNTAC to use the names of the SNC and HRH Prince Norodom Sihanouk, head of state and SNC chairman, to borrow money from the World Bank for the Vietnamese aggressors and their puppets to carry on their aggression and occupation in Cambodia and to destroy the Cambodian nation and people.

The people are angry with the hardship they are facing in their daily lives. Those who agree with the borrowing of money from the World Bank to destroy the nation and people will be responsible to the people and the nation. In his historic statement, HRH Prince Norodom Sihanouk, head of state and SNC chairman, made the following appeal:

I call on all sides, all political parties, all Cambodians, male and female, who consider themselves nationalists, to open their eyes and clearly realize what we are currently facing a serious threat to the survival of our beloved and sacred Cambodia. History and later generations of Cambodian children will judge and seriously punish those who allow foreigners to invade, occupy, and bring their people to control and plunder our land and other resources to the point of expelling Cambodians from some parts of our country.

On this occasion the PDK would like to propose once again that the SNC print national bank notes that can be trusted by the people for use nationwide. However, if UNTAC, Vietnam, and its puppets and lackeys continue to oppose a role for the SNC and refuse to allow the SNC the right to print national bank notes, then the Cambodian national resistance forces will print their own bank notes for use by people in the liberated zones.

[Dated] 30 March

[Signed] Khieu Samphan, PDK chairman and SNC member

UNTAC Chief Warns of Election Campaign Violence

BK3103014393 Bangkok THE NATION in English 31 Mar 93 pp A1, A2

[Text] Despite the drop in political violence and intimidation in recent months, United Nations Transitional Authority in Cambodia chief Yasushi Akashi said a neutral environment there was yet to be in place.

"I would say not yet. We are doing everything possible to create a neutral environment so that a free and fair election can take place," Akashi told THE NATION in an exclusive interview.

The UNTAC chief said it was hard to eradicate deep-rooted violence in Cambodia. Some cases, he said, were committed by people with ties to the State of Cambodia (Phnom Penh), and others were done by other factions.

He made his assessment a few hours before a grenade attack Monday on a Vietnamese-owned restaurant which killed at least two people. On the same day a Bangladeshi peacekeeper was killed in Siem Riep by Khmer Rouge forces.

"We have to draw distinctions in the categories of violence. But there is a degree of violence which is beyond an acceptable limit. The UNTAC is trying its best to reduce instances of violence here. Political parties including the Funcipec [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the KPNLF [Khmer People's National Liberation Front] are better protected by Untac civilian and military police, and military patrols," he said. Akashi attributed the reduction in political violence to the setting up of a prosecutor's office with the right of arrest and detention of those suspected of committing human rights and criminal offences.

"Through this means political violence has definitely diminished as compared to last December. The rate of violence in February and March was one half of December's," he said. The UNTAC chief said that there could be renewed fighting when the political campaign officially begins on April 7. A total of 20 political parties are contesting in the May 23-28 election. The Khmer Rouge has walked out from the peace process and refused to take part in the poll.

"I have talked to every political party and the Phnom Penh leaders to do every thing possible to reduce political violence, which is important to the creditability of the Untac-organized election," he said.

Akashi said he has made special efforts to seek cooperation and understanding from Phnom Penh's two powerful leaders, Chea Sim and Hun Sen, whom he met recently to exchange views on the situation in Cambodia and appeal for cooperation.

"People like Hun Sen and Chea Sim seem to be responsive to our appeal as well as that of the United Nations Security Council. So we hope that an acceptable condition will emerge in Cambodia before the election campaign officially starts," he said.

On that day, UN Secretary General Butrus Butrus-Ghali is scheduled to arrive in Phnom Penh for a two-day visit to inspect the Untac operation and take a first hand look at the political environment.

"We will not be complacent, we will continue our effort in all parts of Cambodia to ensure a neutral environment," he said.

Akashi also dismissed the Phnom Penh government's allegation that the Untac is using the so-called Khmer Rouge tactics in dealing with provincial authorities.

Prime Minister Hun Sen criticised the Untac recently in a personal letter to Akashi after its officials raided the local Phom Penh office in Kompong Cham.

"We absolutely disagree with this charge. It is too bad that the State of Cambodia (SOC) accused the Untac of using Khmer Rouge hctics. PDK (Party of Democratic Kampuchea) was the first to criticise the Untac for not showing sympathy for the Khmer Rouge's concern.

"The SOC has been sensible about the Untac's control of the foreign affairs, defence, finance, information, public security ministries. The Untac's authority derives from the Paris peace agreement itself. Hun Sen has not contested our right or authority to exercise control. He has objected only to the method used in implementing this control," Akashi said.

The UNTAC, he said, is ready to improve its performance in handling the situation in Cambodia. The UNTAC has been stationed in Cambodia for a year and successfully repatriated all 370,000 Cambodian refugees from the Thai-Cambodian border and registered 4.7 million voters.

But the UNTAC failed to disarm all the Cambodian factions and coax the Khmer Rouge into joining the peace process, even though the door is open for the Marxist faction.

"As we gain more experience, we will refine and sharpen our methodology. We are open to comment by anybody," Akashi said.

Albeit the political violence continues, Akashi is confident that a free and fair election is possible in Cambodia.

"I think so. The UNTAC is a traffic policeman to make sure that everybody obeys the rules. It is our responsibility to make sure that everybody begins from the same starting line in support of the election because the incumbency has certain advantages.

"So I told the SOC leaders that they should not take undue advantage of their position that there should be a distinction between the SOC as an administration and CPP [Cambodia People's Party] as a party. I regret this line is blurred quite often," he said.

DK Leaders Oppose Sihanouk Endorsement of Loan

BK2703050793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Mar 93

["Letter" from Khieu Samphan and Son Sen to Prince Norodom Sihanouk—dated 25 March; place not given; read by announcer]

[Text] To: Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] in Beijing.

Your Respected Highness: For nearly 15 years, the Yuon [derogatory term for Vietnamese] aggressors and their puppets have plundered our nation and people by all kinds of methods and through all manner of measures. They have ceaselessly printed valueless bank notes and used them to plunder the people's fish and rice to feed Yuon aggressor forces, enabling the latter to massacre the people and attack and destroy resistance forces, especially Democratic Kampuchea [DK]. The Yuon aggressors' and their puppets' plundering now has an adverse effect on them as the situation has become increasingly chaotic: In Phnom Penh, the people are extremely furious and have refused to accept the Yuon's worthless currency.

In this situation, it is reported that UNTAC [UN Transitional Authority in Cambodia] chieftains plan to send a representative to kneel down before you and ask you to sign a sheet of paper. This is for the purpose of using your name to borrow money from an international bank to save the regime of the Yuon's lackey puppets in Phnom Penh.

Past experiences have clearly shown that before and after 1991, foreign assistance, including state aid and the so-called humanitarian aid, has not reached our people. A growing number of our people continue to suffer misery and famine. The meager quantity of rice, corn, bean, and potatoes that our people have grown has been plundered by the Yuon and puppets. The Yuon do not care about our people, who have died of starvation. The only thing they are concerned about is to continue sending in Yuon settlers to fill unoccupied land according to the strategy of swallowing Cambodia by the Yuon nationals.

Given this situation, the money to borrow from the foreign bank is not for succoring the people, who are living in misery and starvation under the plundering and massacres perpetrated by the Yuon aggressor forces everywhere in Cambodia and the Yuon lackey puppets, but for the Yuon and their lackey puppets to make use as follows:

A part of the money will be shared and pocketed by them; a part will be given to the Yuon for their use in Vietnam, and another part will be used to buy oil and rice that the Yuon need to conduct their military operations against the Cambodian national resistance forces, especially the DK forces. As such, UNTAC intends to employ your name to borrow money for the Yuon to do away with the Cambodian nation and people and let a future national government pay the debt in place of the Yuon and their puppets.

UNTAC's plan to ask for your endorsement of the loan from the international bank for the Yuon and their puppets constitutes another proof that the alliances in and outside UNTAC come not to implement the Paris accord in order to make the Yuon forces withdraw from Cambodia, but to collude with the Yuon to destroy the Paris accord and Cambodia's peace and sovereignty and eradicate the Cambodian nation and people. The stinking strategy of the Yuon aggressors, Yuon puppets, and the alliances in and outside UNTAC to jointly eliminate the Cambodian nation and people is notorious throughout Cambodia and the world.

Nonetheless, even with the loans, UNTAC can never save the regime of the Yuon's lackey puppets. The Cambodian people will never allow the Yuon and puppets to do away with the Cambodian nation and people in such a manner. Therefore, we would like to ask you, who are a nobly patriotic king, not to allow those bad people to use and spoil your name in the extremely dirty and stinking business. For more than half a century, you have held aloft the national flag, and at present, our nation and people are following the patriotic flag and are ready to follow a second crusade that would wrest back our nation's honor and our beloved Cambodia's sovereignty and territorial integrity, thereby allowing Cambodia to recover peace and the people to live peacefully as in 1969.

We would like to apologize to Your Highness for any indiscretion from our part.

Your highness and the princess consort, please, accept our most thoughtful, respectful, and affectionate sentiments. [Dated] 25 March

[Signed] Khieu Samphan, PDK chairman and SNC member; Son Sen, PDK vice chairman, Commander in Chief of the NADK, and SNC member.

Phnom Penh Troops Allegedly Attack FUNCINPEC

BK3003053193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 29 Mar 93

[Excerpt] FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] radio on 28 March reported that at 0845 in the night of 15 March, Vietnam and the Phnom Penh puppets dispatched a group of persons disguising themselves in the uniforms of the National Army of Democratic Kampuchea to lob grenades into the office of the FUNCINPEC party office in Kandaol village in Kampot province's Kampot district.

The reports say that those persons lobbing grenades into the FUNCINPEC party office were arrested on 23 March; they were all Vietnam's puppets and lackeys. They are:

1. Neak Phan, militiaman in Kandaol village;
2. Nop Nit, militiaman in Kandaol village;
3. Sun Chhoeun, head of Kandaol village; and
4. Vat, chief of Kandaol checkpoint.

This is evidence confirming that to this day there is no neutral political atmosphere and no security whatsoever for holding elections in May.

The Vietnamese aggressors, their puppets, and UNTAC [UN Transitional Authority in Cambodia] leaders are responsible for the current situation in Cambodia. The goal of the Vietnamese aggressors, their puppets, and allies in and outside UNTAC is to destroy the Cambodian national resistance forces and various political parties in order to have only the regime—puppet and lackey of Vietnam—and afterward drag, intimidate, and threaten others into becoming puppets. [passage omitted]

Indonesia

Bangkok Paper Interviews East Timorese Representative

BK3103023793 Bangkok THE NATION in English 31 Mar 93 p A6

[Interview with Jose Ramos Horta, the foreign representative of the National Council of Timorese Resistance, by Sonny Inbaraj of the NATION—date; place not given]

[Text] [Inbaraj] How do you think the East Timor self-determination between Portugal and Indonesia organized by the UN Secretary-General Butrus Butrus-Ghali are going on without the participation of the East Timorese people?

[Horta] First I believe the talks will be held as scheduled in Rome on April 20 between the Portuguese and Indonesian foreign ministers under the direct auspicies of UN Secretary-General Butrus Butrus-Ghali. There has already been an agreement in September last year during the first exploratory talks between the UN Secretary-General and the foreign ministers of Portugal and Indonesia, that the Secretary-General and his staff may invite for informal cotlsultations Timorese representatives.

That was a gentleman's agreement agreed to by Indonesian Foreign Minister Ali Alatas. Following that deal, I was invited to go to New York last November and again in December for informal consultations with senior advisors to Butrus Ghali, prior to the negotiations between Portugal and Indonesia, last Dec 17.

On our side, we have been in close consultations with the Portuguese. The government of Portugal in fact doesn't initiate anything without consulting us. They do not pretend to replace the Timorese and the Portuguese Foreign Minister Durao Barroso's position has been quite clear.

Barroso said at the negotiations that Portugal is trying to speak for those who don't have a voice yet.

There has been a trustworthy relationship between us and Portugal, particularly with the new foreign minister, so we don't feel that we are outside the talks between Lisbon and Jakarta.

[Inbaraj] But last December, Indonesian Foreign Minister Ali Alatas said there was a breakdown in talks between Indonesia and the United Nations. Furthermore Alatas was adamant about not allowing the East Timorese to have self-determination rights. What are your comments about that?

[Horta] Foreign Minister Ali Alatas and many other Indonesian officials suffer from really severe split personalities. You can hear one Ali Alatas talk about self-determination for the Palestinians and another Ali Alatas condemning ethnic-cleansing in Bosnia. Then you hear a third Ali Alatas talk about peace in Cambodia. The fourth Ali Alatas says no to self-determination and peace in East Timor.

So this discredits Indonesia's international standing. They are still trying to delude themselves that the matter of East Timor has been settled. Eighteen years later, it has yet to be.

On our side, we sincerely understand that Indonesia has genuine security concerns about the integrity of the Indonesian republic, about internal stability. We also sincerely understand that we cannot close doors to an honourable exit from East Timor by Indonesia. We are prepared to bend backwards to find ways in which Indonesia could disengage itself from East Timor in a manner that it would not appear that Jakarta was defeated or the country has lost face.

[Inbaraj] How do you propose that this gradual disengagement by Indonesia be carried out by Jakarta?

[Horta] I can tell you with all frankness that it is based on our concept of negotiations without preconditions. This mode of negotiations has already been accepted by the UN secretary-general, the Portuguese government and also by the Indonesian side. This whole concept of dialogue without pre-conditions was formulated by the Timorese resistance a few years ago. When I first developed this form of dialogue, there was a lot of misunderstanding. But today, I am quite happy and proud to say that this very concept is the basis of negotiations in New York which is fully acceptable to everybody—the UN secretary-general, the Indonesian side and the Portuguese side.

Dialogue without pre-conditions means that we do not go to the negotiating table excepting that the Indonesian side would relinquish its claims over East Timor. Also no Indonesian side would expect us to give up on our claims to self-determination. Then what should we do?

We should talk on issues which we can agree on.

Firstly, the Indonesian military presence in East Timor is excesssive and it has to be eliminated.

Secondly, there has to be greater access to East Timor by the International Committee of the Red Cross, other United Nations' specialized agencies like Unicef, UNDP [UN Development Programme], FAO [Food and Agriculture Organization], WHO and so on.

Thirdly there has to be access to East Timor by human rights organizations like Amnesty International, Asia Watch or the International Commission of Jurists, who must have a permanent ongoing presence in the island. Journalists also have to be allowed into the territory. It goes without doubt that international presence would help diffuse the tension in East Timor.

These would go into what we call confidence-building measures. They have already been implemented after the Santa Cruz killings [in November 1991], and it is in the interests of Indonesia to follow-up on them fully.

The single most-hated symbol of occupation in East Timor is the Indonesian army. If Jakarta removes the hated symbol of the occupation, then they would create a climate for genuine dialogue that is conducive to a settlement that is acceptable to all sides.

When all these are in place, then we can move on to the issue of self-determination.

[Inbaraj] President Suharto is currently in his sixth term of office as head of state. Will his government ever have a change in attitude over East Timor? Suharto cannot avoid getting older and older. The older generation of Indonesian leaders who were nurtured in the '40s and early '50s cannot stop their ageing process. Maybe a new generation influenced by the democratic changes in the world and when confronted with inevitable changes in Indonesia as well, might decide that after all, giving self-determination to East Timor would not pose a threat to Indonesia.

[Inbaraj] When you talk about the new generation of Indonesian leaders, what do you think about the former army chief Gen Try Sutrisno, who has been appointed vice-president? Doesn't he have a hardline policy over East Timor, bearing in mind that he vehemently defended Indonesian military action in the Novemeber 1991 Santa Cruz massacre?

[Horta] It is indeed a disgrace for Indonesia to have someone like Try Sutrisno. One thing that characterizes Indonesian society is the Javanese ancient civilization, which places a lot of emphasis on good manners, refined behaviouir and politeness.

Sutrisno is the total opposite, a bit more like a Los Angeles police officer beating up innocent people on the streets, than a true statesman in the style of Gen Suharto. I think, the military hardliners forced on Suharto and the Indonesian people a very bad choice. If Indonesia is keen to polish its image, then Sutrisno was a mistake. People in Washington, Geneva, Brussels and elsewhere know who is Try Sutrisno. For us, it is a blessing in disguise because once and for all Sutrisno has unmasked Indonesia's pretence to be open to the democratic movement and so forth.

[Inbaraj] At its last sitting in Geneva, the UN Human Rights Commission adopted a resolution condemning Indonesia for its human rights violations in East Timor, saying it was deeply concerned about continuing abuses there. This resolution whose motion was proposed by the EC was also supported by the United States and Australia. In the past, the Bush administration followed by Australia refused to throw any weight behind moves to castigate Jakarta.

Do you see any changes now on the attitudes of these two governments with regard to East Timor, especially with the new Clinton administnaon in Washington?

[Horta] Australian politicians are by and large a bunch of cowards who have no convictions. There are however a few exceptions and these exceptions are honourable. Successive Australian governments since 1974 till today under Paul Keating have blood on their hands because they have aided and abated the Indonesian occupation of East Timor. As an East Timorese, I have nothing to thank Australia for [supporting the Human Rights Commission resolution]. Canberra is now engaged in one of the most voracious oil grabbing venture in the region. About 50 Australian companies are alrteady exploring for oil in our Exclusice Economic Zone.

However, I want to emphasize that I will not forget the Australian people, especially the NGOs, the labour movement and certain media, that have been consistently by our side since 1975.

Regarding the Clinton administration, all I can say for the moment is that at Congress level there is a considerable majority that support self-determination for East Timor. There are many people in key posts in President Clinton's government who are very sympathetic to East Timor. I am very optimistic that in the middle term probably in two or three years we could see a complete shift in American position over the territory.

[Inbaraj] With regard to the trial of Fretilin leader Xanana Gusmao in Esst Timor's capital of Dili, did his lawyer ask you to be a defence witness? Is it also true thst you volunteered to go to Dili?

[Horta] Yes, I volunteered to appear as a defence witness for a number of reasons.

Firstly Xanana is a brother of mine. He is also our leader who is on trial with little or no independent counsel except for an official counsellor proposed by the Indonesian military.

Secondly, I have been named not only in Xanana's trial but also in other trials in Dili and Jakarta as the mastermind outside the country against the Indonesian state.

My going to Dili does not mean that I am recognizing the Indonesian legal system. Instead, the forum is there for me to fight the Indonesians. The trial of Xanana is not a legal forum, but a political public forum.

I would prove beyond any doubt that the Indonesian state has no authority or Jurisdiction over East Timor and they cannot put on trial any East Timorese who opposes integration.

What is the legitimacy of the right of an Indonesian to put on trial an East Timorese figbting for independence for his country.

Imagine, Thailand is invaded and occupied by Japan. The prosecutor and judge flies from Tokyo to Chiang Mai to try Thai nationalists fighting for independence. The trial of Xanana is similar, and so the Indonesians have no legitimacy at all to try him.

[Inbaraj] How would you handle the situation, if you are served with an arrest warrant by the Indonesisn army on landing in Dili sirport?

[Horta] I will be travelling to East Timor, and the Indonesians can be rest assured of that. I will challenge the commander of operations in East Timor, Gen Theo Syafei to arrest me.

Paper Discusses Declining Prices of Paddy, Rice

BK3103131393 Jakarta SUARA PEMBARUAN in Indonesian 15 Mar 93 p 2

[Editorial: "Falling Prices of Unhusked Paddy And Rice"]

[Text] The surplus production of paddy from each harvesting season has usually resulted in the fluctuation of prices of unhusked paddy and rice. This problem could not be solved completely even though the National Logistics Bureau [Bulog] has been specially set up to ensure that there is a balance between the demand and supply of paddy after each harvesting season.

This year the problem of the falling prices of paddy is worse. Not only is it lower than the basic price, it is even lower than the prices of other agricultural commodities. Reports from several paddy producing areas say farmers are worried about not being able to market their paddy or rice to village cooperatives because their quality does not meet the standard fixed by Bulog. It was reported that Bulog has raised the quality of unhusked paddy that village cooperatives should buy from the farmers. The floods that hit several paddy-producing areas, and the persistent rainfall which prevented the drying of unhusked paddy were the reasons for the poor quality of paddy this year.

Earlier, President Suharto had instructed Bulog to help farmers by purchasing unhusked paddy directly to stop price declines on the domestic market. This year, the rural cooperatives set the floor price of milled rice at Rp [rupiah] 340 per kilogram, while Bulog buys rice from rural cooperatives at Rp 356 per kg, and from the non-members of rural cooperatives at Rp 351 per kilogram. Bulog's purchasing price of medium (B) quality rice from rural cooperatives is Rp 551 and Rp 545 per kg from non-members of rural cooperatives. It is understood that the price of unhusked paddy/rice has dropped significantly due to the sharp increase in their supply from the recent harvest.

Besides, the declining price of paddy is indirectly related to the financial difficulties of Bulog. Speaking to newsmen at the end of February, the cooperatives minister Bustanil Arifin, who is also Bulog chief, said the agency's operational costs has caused it to run into a budget deficit of about Rp 68.9 billion in 1992-1993 fiscal year.

According to him, the loss is offsetted by the output of other commodities plus a 200-billion rupiah balance from the previous year's profit. Meanwhile, Bulog's financial status cannot be said to be improving yet because its accounts reported a Rp 67 billion deficit when it exported 200,000 tons of husked paddy in the 1992-1993 fiscal year.

According to Beddu Amang, Bulog's deputy chairman, Bulog's losses was as a result of the bench mark price of husked paddy at the international market which was US $200 per ton, while the local price was US $330 per ton.

However, Beddu Amang said, the cost of maintaining the rice stockpile in the warehouses in the country would be higher than the losses incurred. This is because apart from having to pay an 18-percent bank interest, the quality of rice will also decline if it is kept in the warehouses for too long.

We note that the agricultural sector will still play an important role in the economic development of Indonesia, even though there is a variety of contributions from other sectors to the national economy over the past 25 years. This sector has provided food and job opportunities to a large number of Indonesians. According to statistics, in the early part of the 1960's, the agricultural sector contributed more than 50 percent to the GDP, with 25 percent of the work force engaged in this sector. In 1985, 55 percent of the total manpower were working in this sector. Its biggest achievement was in 1984 when Indonesia achieved self-sufficiency in rice.

The problem now is the low quality of unhusked paddy that is unacceptable by Bulog's standard. Bulog's aim is to raise the quality of rice so that it can stocked for a long period.

The time has come for Indonesia to think about maintaining self-sufficiency in rice production as well as producing good quality rice rather than just large quantities.

Rice is a unique commodity in Indonesia. It is significant to the local farmers that make up the majority of the national work force. A shortage of supply would ignite a sociopolitical problem and instability in the country.

It is hoped that the government will continue to introduce policies and play an active role in solving the current problem of over production of rice. Apart from that it is hoped that the government will be able to control the cost of domestic production and procurement and stockpile by Bulog so that indonesia's rice is competitive in the international food market.

Laos

Labor Minister, U.S. Official Discuss Refugees

BK3003143193 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Mar 93

[Text] On the afternoon of 25 March, Thongloun Sisoulit, minister of labor and social welfare, received at the reception room of the Ministry of Labor and Social Welfare Mrs. Pam Rosenthal, ambassador attached to the U.S. State Department and director of the Department's East Asia-Pacific Affairs Division.

At the meeting, the hosts and guest consulted with each other on the issue of providing assistance and cooperation to and welcoming Lao refugees. In the past the U.S. Government has given assistance to the Lao Government through the UN High Commissioner for Refugees. In 1993 in particular, the U.S. Government will give direct aid to the Lao Government. In the initial stage it will provide a fund of 1.5 million dollars for implementing refugee-related projects.

In addition, the two sides also discussed the relations, cooperation, and assistance between the Lao and U.S. governments in the past as well as in the present aimed at further developing and strengthening Lao-U.S. relations and cooperation in the future.

Assembly Chairman Receives Thai, PRC Envoys

BK3003135193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 30 Mar 93

[Text] Saman Vi-gnaket, chairman of the National Assembly of the Lao People's Democratic Republic, on 30 March received at the National Assembly separate courtesy calls from Huang Guocai, PRC ambassador extraordinary and plenipotentiary to the LPDR; and Nikhom Tantemsap, ambassador extraordinary and plenipotentiary of the Kingdom of Thailand to Laos, who congratulated Saman on his appointment as chairmnan of the National Assembly.

During the separate receptions, the chairman of the National Assembly thanked them for their congratulations and best wishes, as well as the house chairmen of their respective countries for having sent congratulatory messages to him.

The host and the guests stressed the need to strengthen mutual relations of friendship and cooperation between their countries.

Houa Phan, Oudomsai Delegations Visit PRC, SRV

BK2803085593 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Mar 93

[Text] The tropical botanical center of (Lun) District, (Xianghong) Sub-Province, Yunnan Province, of the People Republic of China is willing to cooperate with Oudomsai Province in setting up a center for fruit tree saplings and tree decoration and to help train forestry and agricultural cultivation technicians.

During the visit to the tropical botanical center of the above-mentioned Chinese sub-province by a delegation of Oudomsai Province led by its provincial deputy governor Somsi Saibounheaung, both the Chinese and Lao sides discussed and exchanged views on mainly their cooperation in forest protection and environmental conservation.

The Oudomsai provincial delegation also visited the sapling, reafforestation, fruit tree growing, and the rice strain experimentation centers of the sub-province.

The local-level Lao delegation spent three days visiting the Chinese sub-district and returned to Oudomsai late last week.

Meanwhile, an informed source in Sam Neua District reported that a local-level delegation from Houa Phan Province headed by its provincial governor, Somphan Phengkhammi, completed a visit to Thanh Hoa of the

Socialist Republic of Vietnam early this week. During the three-day visit, the delegations of Houa Phan and Thanh Hoa discussed and exchanged views on cooperation in economy, culture, social affairs, and public security maintenance, in the past and the future.

Cooperation Agreement Signed With SRV Province

BK3103051793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 31 Mar 93

[Text] On 28 March, the high-level delegations of Phong Saly Province and the SRV's Lai Chau Province held a discussion and signed a memorandum of agreement on future cooperation in several fields between the two provinces. The meeting was held at the conference room of the Phong Saly Province Administration during a friendship visit to the Lao province by a high-level delegation of the Vietnamese province led by Lo Van Inh, vice secretary of the Lai Chau Province party committee and chairman of the Lai Chau Province People's Committee. Mai-en Inseng, secretary of the Phong Saly Province party committee and governor of Phong Saly Province, headed the Lao delegation at the consultations.

On this occasion, the two sides jointly assessed their relations and cooperation throughout the past period. They agreed to increase future cooperation in socioeconomic development in a more efficient manner on the basis of the implementation of each country's innovation policy.

Thailand

SAP Ministers Submit Resignation Letters

BK3103124393 Bangkok Radio Thailand Network in Thai 1200 GMT 31 Mar 93

[Text] The ministers under the banner of the Social Action Party [SAP] have tendered resignation letters en masse in compliance with the resolution adopted by the party. After a party meeting at 1700 today, Justice Minister Suwit Khunkitti, a minister from the Social Action Party, told reporters about the party's decision. He said:

[Begin recording] [Suwit] The party meeting today adopted a resolution instructing all ministers of the party to tender resignation letters to the party leader and allow him to decide what further action should be taken. It could be a reshuffle or departure [from the coalition government]. The party has authorized the party leader to make the decision. The matter was discussed in today's meeting after the party leader was cleared from the charge which resulted in the seizure of his assets.

[Indistinct question]

[Suwit] When the resignation letters will take effect will depend on the decision of party leader. [end recording]

Party Leader Clarifies Resignation

BK3103130393 Bangkok Radio Thailand Network in Thai 1200 GMT 31 Mar 93

[Text] Speaking to reporters after the party meeting at his residence on Wiphawadi Rangsit Road this evening, Montri Phongphanit said party members who are now serving as ministers in the coalition government have tendered resignation letters to him today.

Asked if the action is aimed at creating a condition for himself to be a minister after his clearance from the assets seizure charge, he replied that he will take any ministerial post because, he said, he always honors his words. To be a minister or member of the House of Representatives means that one must be able to solve the problems of the people and serve the interests of the country. He said he was appointed to several ministerial posts before and if he cannot do anything for the people, he does not want such posts.

Asked if there will be a cabinet reshuffle, the leader of the Social Action Party said what should be changed is the personality of the power holder. The leader must dare to make decision on any issue.

Asked if he will join the cabinet if a new government is formed, he said he has not thought about the matter yet, adding that he wanted the present government to be in the office as long as possible so that it can serve the interests of the people, dare to make decision and take action for the interests of the people and country, and be sincere with coworkers.

Air Force Commander on PRC Ties, April Visit

BK2703154593 Bangkok XING XIAN RIBAO in Chinese 26 Mar 93 p 20

[Text] Air Force Commander Air Chief Marshal [ACM] Kan Phimanthip will visit China between 8 to 11 April at the invitation of the PRC Air Force. He granted an interview on the Royal Thai Air Force's relations with the Chinese Air Force on the occasion of the Air Force Day. He said that he will visit China as a guest of the Chinese Air Force and in his capacity as the new air force commander. The Chinese Air Force commander will later pay a return visit to Thailand. This is normal practice for an exchange of visits between military leaders of friendly countries.

ACM Kan said that the Thai Air Force has maintained friendly contacts with the Chinese Air Force. The two sides have exchanged military knowledge and concluded high military technology purchases. Although the Air Force has bought less weapons from China at friendship prices compared to Thailand's other armed forces, the two sides also maintain close contacts in other areas. These are beneficial to the two air forces.

ACM Kan said that the Thai Air Force had considered buying 12 to 18 F-7M "Sky Guard" fighters from China at a friendship price in 1989. The Chinese side sent these planes to Thailand for a demonstration and let Thai pilots fly the planes. The air force commander said that we needed some fighters to replace A-37 and OV-10 fighters. These fighters have to be replaced because their lifespan is over. The Air Force, however, still has to try to use them since they are still needed. When China offered these fighters to us, we felt that they met our demand for new planes to replace the old ones. It would have also given us a chance to learn about the MiG-21 aircraft because the F-7M fighter is developed from the MiG-21. It is regrettable, however, that we have some strategic and budgetary problems. This fighter has high efficiency, but its engine has problems. The engine can last for only 600 hours while the engines of Europen or American fighters can last for about 5,000 to 6,000 hours. So, we would have faced budgetary problems buying new engines then the original engines passed their lifespan. So, it is regrettable that the Thai Air Force has not procured such aircraft. The Air Force, however, now has bought Chinese antiaircraft guns commissioned for the Antiaircraft Unit of the Royal Thai Air Force's Security Force Command. They are T-793 37-mm double-barreled guns. The Air Force is also going to buy antiaircraft missiles from China.

Regarding reports that China wants to strengthen relations between the two militaries and proposes joint military exercises like the ones Thailand has with the United States and other ASEAN countries, the Air Force commander said that there will be no problem in the matter. This, however, has to be approved by the government. A joint exercise between Thailand and China can be held if the government approves it. This also depends on foreign policy since it is also an international political issue.

Moreover, China has raised the issue of the Thai radar station in the Doi Inthanon Mountains in Chiang Mai Province several times. This radar station does air reconnaissance over the northern part of the country and its coverage range also reaches China. ACM Kan believed that high-ranking Chinese officials will understand this issue because air defense systems of all countries are such which can not be regarded as threats toward one another.

China's military assistance for Burma and Bangladesh has become a big issue in this region. In particular, the F-7M fighters, which Thailand did not buy from China, have now been commissioned in Burma. Thailand is watching this development with interest. Burma's air power was low in the past. But its air capability has been strengthened with this assistance. ACM Kan said that China would probably know that Thailand was watching this issue and China would also know Thailand's feelings. ACM Kan said that China may raise this issue in order to reach an understanding during his upcoming visit. He also wants to ask for more details about this issue from China.

Chatchai, Li Peng Discuss Road Link

BK3003091593 Bangkok ZHONG HUA RIBAO in Chinese 29 Mar 93 p 6

[Text] According to a report by Chat Phatthana Party leader General Chatchai Chunhawan's Secretariat, General Chatchai paid a courtesy call on Chinese Premier Li Peng in Beijing during his visit to China. The two sides discussed investment in China during the meeting. The Chinese premier also agreed with the plan to build a highway from Thailand's Chiang Rai Province to Kunming of Yunnan Province.

According to the report, Premier Li Peng held that a thorough study is needed to see whether the highway should be constructed through Laos or through Burma. The project should also serve the interests of mutual economic development.

General Chatchai's delegation visited Yunnan Province on 28 March. He discussed the highway project with the deputy governor of Yunnan. In the initial stage, the two sides agreed that it is more suitable for the Chiang Rai-Kunming highway to be constructed through Laos than Burma because it will be easier to find financial support if the highway is constructed through Laos.

Prasong Views Closing of Cambodian Refugee Camp

BK3003143393 Bangkok Radio Thailand Network in Thai 1200 GMT 30 Mar 93

[Text] Foreign Minister Squadron Leader Prasong Sunsiri this morning presided over the closing of Site 2 Camp in Ta Phraya District, Prachin Buri Province, which is the last Cambodian refugee camp to close officially. Since 1979, about 800,000 Cambodian people have fled the war in their country into Thailand; and the Thai Government has been providing humanitarian assistance to them until now. Now almost all the refugees have been repatriated. About the repatriation, Foreign Minister Prasong says:

[Begin Prasong recording] The Thai Government signed the memorandum of understanding between the three parties—the Thai Government, the Supreme National Council of Cambodia, and the UN High Commissioner for Refugees—on the repatriation of Cambodian refugees and displaced persons from Thailand. The Thai Government adopted a policy of full cooperation with all concerned agencies in the repatriation in order that the repatriation of Cambodian refugees could be completed before the general election scheduled to be held in May. [end recording]

Lieutenant General Sanan Khachonklam, chief of the Coordination Center for Repatriation of Cambodian Refugees, reviewed the repatriation as follows:

[Begin Sanan recording] A total of 339,109 Cambodian refugees and displaced persons, or 78,231 families, have been repatriated under the program. Meanwhile, 18,000

Cambodians have returned by themselves. After the departure of today's group of 525 refugees, about 16,000 Cambodian refugees and displaced persons will remain at Site 2. They will be repatriated gradually, and all will be back in Cambodia by April. [end recording]

Cambodian Refugees Protest Closing

BK3103014193 Bangkok BANGKOK POST in English 31 Mar 93 p 7

[Excerpt] Site 2—Hundreds of Cambodians protested against repatriation yesterday when UN High Commissioner for Refugees Sadao Ogata presided over the closing ceremony of its largest and last refugee camp in Thailand. About 300 Cambodian refugees at Site 2 in Prachin Buri province held up banners along the road as Mrs Ogata was passing to the ceremony which marked an anniversary of the first operation of the programme.

The placards called for help to save the refugees out of their homeland which they referred to as the "land of manslaughtering and extermination of communism".

"We are badly in need helping from UNHCR [UN High Commission for Refugees] and Thai Government. Please save us out of Cambodia we don't want to go back to our homeland. We need a freedom place, happiness and the third country," said one banner.

Mrs Ogata and Foreign Minister Prasong Sunsiri addressed a group of about 1,800 refugees at Site 2 who were to return to Cambodia while another 15,000 (unofficial number) refugees were unwilling to go. Mrs Ogata said for those who refused to return to their home country, there was still time for persuading them to join the voluntary UNHCR repatriation programme. [passage omitted]

Prasong Sees 'Upheaval' After Cambodian Poll

BK3103063493 Bangkok Radio Thailand Network in Thai 0000 GMT 31 Mar 93

[Text] Commenting on the general election scheduled to take plance in Cambodia in late May, Foreign Minister Squadron Leader Prasong Sunsiri said that there will be an upheaval in Cambodia after the election if the Cambodian factions do not make serious efforts to reconcile their differences and comply with the Paris agreement.

[Begin Prasong recording] The confusing situation in Cambodia and the refusal by the Cambodian factions to lay down weapons and reconcile their differences run counter to the conditions stipulated in the second phase of the Paris Agreement for the general election. I want to warn that if such conditions are not met, political problems can arise after the election. For example, the Khmer Rouge might not accept the outcome of the general election because they did not participate in the poll. Other factions might also reject the result if they feel that there are irregularities and frauds in the election. However, the United Nations has already set the date for the general election. [end recording]

General Meets UNHCR Official, Discusses Cambodia

BK3103111393 Bangkok Radio Thailand Network in Thai 0530 GMT 31 Mar 93

[Text] General Charan Kunlawanit, secretary general of the National Security Council, told reporters after his meeting with Mrs. Okata, UN high commissioner for refugees [UNHCR], this morning that the general election in Cambodia must be held in May as scheduled despite Khmer Rouge refusal to participate in the polls. Politically speaking, it is not unusual for a political party to participate in an election. He said he had discussed with the UN official the Cambodian problem and the success of the UNHCR program for repatriating Cambodian refugees, which will be completed in April. The UNHCR will take care of the refugees for one year after their arrivial in their hometown to ensure that they can make a living. Meanwhile, several organizations will be asked to help develop Cambodia for the Cambodian people.

Asked if the turbulent situation in Cambodia will obstruct the general election, the secretary general of the National Securiy Council said: The election is a political matter and must be separate from the situation in the country. The polls must be held as scheduled. The problem is that no faction should obstruct the polls. He believes that the Khmer Rouge, with no candidate running in the election, will not obstruct the polls.

[Begin recording] [Charan] UNTAC [UN Transitional Authority in Cambodia] and the SNC [Supreme National Council] must help each other eliminate the causes of unrest in Cambodia. Judging from past events, the fighting and unrest have not increased in magnitude since the signing of the Paris agreement. Violent incidents caused by different factions have broken out here and there. The Cambodian factions probably are not capable of conducting extensive acts of terrorism. Once such an incident takes place, an investigation must be launched by the SNC and UNTAC to identify the culprits. They cannot simply put the blame on any faction. Preventive measures must be worked out.

[Unidentified reporter] What did you say about the problem of the Burmese students and other issues pertaining to human rights?

[Charan] The UNHCR fully supports the Thai Government's actions in connection with the Burmese students. The UNHCR is probably the first organization that is well aware of what the Thai Government has done for the Burmese students. The UNHCR has been providing financial assistance to the students who agree to stay at the center in Rat Buri Province. The UNHCR does not want the Burmese students to stay here as illegal immigrants.

[Unidentified reporter] Some human rights groups are demanding that the government allow the Burmese students to live outside the center.

[Charan] Anyone can voice his or her opinion as long as it serves the interests of the country and people. We should consider the issue from different angles. We cannot violate the country's laws in favor of any particular people. [end recording]

Regional Human Rights Situation Viewed

BK2903042693 Bangkok BANGKOK POST in English 28 Mar 93 p 23

[Commentary by Witit Munthaphon, associate professor at the Faculty of Law, Chulalongkon University]

[Text] The right to life. Freedom from torture. Freedom of expression. Freedom from sexual slavery. Adequate standard of living. Non-discrimination. Self-determination and participatory government.

These clarion calls for human rights are heard everyday, as the world heads towards the dawn of the next century. Will they ever see the light of day?

The violations of these and other rights are abundant, so much so that one is tempted to be downcast at the prospects for the future; the situation may worsen. Poverty is rampant. Violence ranging from the personal to the state levels is on the upturn in many parts of the world.

While some governments seek to improve their performance towards their people, others seek to be more repressive, with tints of "ethnic cleansing" and undue nationalism. This is enmeshed in various forms of fanaticism and extremism. Ingeniously, a number of human rights for their own ends, thereby politicising the whole scenario even further. [sentence as published]

If the panorama is bleak on many fronts, a ray of hope may seep through the global looking glass. June 1993 will witness the world Conference on Human Rights where not only stock-taking of current issues will be undertaken, but also forward-looking strategies and financial commitments to promote and protect human rights will be canvassed. Significantly, this is being preceded by a series of regional conferences to enhance regional initiatives and mobilise support for the world conference.

The inter-governmental conference for the Asian region will be held in Bangkok from tomorrow until the beginning of next month.

What are the stakes?

In general, the aims may be said to include: —promotion of international cooperation in the field of human rights.

> —improvement of activities and mechanisms for the protection of human rights. discrd—securing of financial and other commitments for the enhancement of human rights.

It can be surmised that both the governmental and non-governmental conferences will deal with issues rather than specific countries; the tendency will be to highlight "themes" with a view to finding better modes of prevention and cure.

Much heat is expected to be generated on the following issues:

1. Universality. It is generally accepted that human rights are universal by nature, and encompass civil, political, economic, social and cultural aspects. It is the international community, particularly through the United Nations, which sets universal standards to which states and other entities are expected to adhere.

The bottom line is that human rights are of international concern—advocacy of human rights cannot be considered as interference in the domestic affairs of a state. Where there is a conflict between national practices and international norms, the latter must prevail.

This argument is under attack from several quarters. Various traditions and cultural practices claim that human rights must adapt to their interpretations. For example, while the international setting advocates the right against torture and inhumane treatment, some traditions claim that forms of mutilations are justifiable as punishments to be inflicted on individuals. [sentence as published]

On another front, various governments of the developing world claim that the notion of human rights is eurocentric with too much attention focussed on the rights of individuals and not enough on the rights of groups. Often such argument is used by less than democratic governments to stifle the claims of individuals against paternalism and authoritarianism.

What of the future? Just as universality must not be jeopardised by "cultural relativism", the interests of the individual must not be sacrificed under the cloak of the community which is all too often determined by the nature of the government itself.

2. Democracy. In recent years, we have noticed an increasing link between the advocacy of human rights and democracy. At one level, this is closely related with civil and political rights such as self-determination, freedom of expression and popular participation in the system of government. However while democracy tends to be concerned with processes and conduct of government by the majority, human rights are equally concerned with the rights of minorities in the face of the majority.

Some governments, usually of an undemocratic nature, are ill at ease with the nexus between human rights and democracy. They claim that economic, social and cultural rights should be fulfilled first and that civil and political rights upon which democracy is based would then follow suit. Their bottom line is that democracy at the state level should take second place to the call for eradication of poverty and fulfillment of economic needs. Recently, this line has appeared in the call for "the primacy of the right to economic development".

Such distortion should be rejected especially as that argument serves to legitimise the acts of those authorities which seek to suppress basic freedoms and democratic aspirations. As universally espoused, the preferred argument would be to advocate that civil, political, economic, social and cultural rights are indivisible and interdependent. Not the one before the other, but all together. Thus democracy and human rights go hand in hand.

3. Development. The notion of development has crept increasingly into the human rights vocabulary. In the late 1980s, the United Nations General Assembly passed a resolution accepting the "right to development" as a human right. The definition was targeted at development in the political, economic, social and cultural fields with particular attention for popular participation, satisfaction of human needs, and advocacy of better development planning, income distribution and resource allocation at both the international and national levels.

While the universality of the right to development is evident, its interpretation has not been salutary in recent years. As already noted, some wish to emphasise the right to "economic development" at the expense of political participation. Others use the notion to call for realignment of international debts and development and while neglecting the need for local reforms, particularly in the areas of income distribution and sharing of land and other resources.

The emphasis on "economic development" has also marginalised "social development" which is often linked with the improvement of people's livelihood in both material and non-material terms at the local and family levels rather than at the macro-economic level. Many developing countries have thus fallen into the trap of aspiring to be "Newly Industrialised Countries" without concomitant social improvements and equitable policies at the local level.

The message should thus be that development must incorporate civil, political, economic, social and cultural aspects as an indivisible whole. International and national development strategies must also pay greater attention to what happens at the local and family levels, particularly from the angle of social development and equity.

4. Instruments. A number of international instruments on human rights exist at the international and regional levels. The most basic United Nations instruments fall under the "International Bill of Human Rights" which comprises the 1948 Universal Declaration of Human Rights, the 1966 International Covenant on Civil and Political Rights, and the 1966 International Covenant on Economic, Social and Cultural Rights, as well as Additional Protocol to the first Covenant.

These instruments establish human rights benchmarks with a monitoring report to the various human rights committees established under these instruments. There is thus a forum for transparency and accountability which can help to promote human rights at the national level. Under the Additional Protocol mentioned, individuals may also file complaints to the human rights committee concerned, although the latter makes recommendations rather than binding judgments.

When gauged from an Asian perspective it is clear that only a small number of countries from the region have acceded to the 1966 instruments. The detachment is due to a variety of reasons, including reticence towards international human rights standards and the fear that accession to these instruments will question the raison d'etre of national authorities. The latter have preferred to perpetuate their full exercise of national power and discretion, with broad notions of national security, rather than subject themselves to international monitoring.

From the angle of the humans at stake, it is highly desirable that the countries of the region accede to such human rights instruments to ensure greater monitoring of state performance. The rights of individuals and groups in each country will thus become better protected, precisely because the governmental record will be scrutinised in the international arena.

Hence the test of "good governance" in the eyes of the international community rather than "government" in the eyes of the national authorities per se.

5. Specificity. The word is used to emphasise the plight of special groups who need particular focus in the human rights field. Women, children, indigenous peoples, migrant workers, those in the midst of armed conflicts and those with AIDS.

Of particular importance is the role of non-governmental organisations (NGOs) in the promotion and protection of human rights. While some governments look warily upon the role of NGOs, it must be recognised that much of the best work on the human rights field is done by them. They need to be provided with tax and other incentives so as to facilitate their work as partners in the process.

It is expected that all the conferences on human rights this year will underline the need to address the concerns affecting each of these groups. Their needs will often be pitted against age-old taboos, discrimination, paternalism and authoritarianism. The strategy will have to be integrated and comprehensive. The call for more laws and policies to help them will be easy option. The more difficult challenge will be how to overcome past and present prejudices and to ensure that a "culture of human rights" amenable to the specific interests of each group is evolved both in principle and in practice.

6. Mechanism. What is to be the mechanism for the promotion and protection of human rights in the broad dimension noted?

Several international mechanisms already exist, and some have already been referred to in the context of the 1966 human rights Covenants. However, at the regional and national levels in Asia, there is a paucity of mechanisms to fulfil this role as watchdog. One of the few countries to have a national mechanism is the Philippines which has a National Human Rights Commission. Recently Thailand established a parliamentary committee on justice and human rights. Indonesia and India are both in the process of establishing national commissions on human rights.

The national experiences suggest that to have real teeth, the national bodies need to be able to act independently of the government. They also need to take a comprehensive approach to human rights to cover the broad range of civil, political, economic, social and cultural aspects. If they are unable to fulfil certain role, they need to be able to cross-refer, and effective and accessible remedies should be available.

The trend suggests that more national mechanisms will be established in the near future. The challenge will be to ensure that they do not act as a facade to obscure governmental ills. Their transparency and openness must be paramount. Access by NGOs to these mechanisms and their participation therein is essential.

At the regional level, it may be noted that there is no Asian regional system for the protection of human rights, unlike other parts of the world which have treaties, courts and commissions to safeguard human rights. Will Asia evolve its own system?

The idea is not far-fetched. At a recent seminar in Indonesia, the possibility of human rights guidelines and mechanism(s) at the regional or sub-regional level was voiced among the participants.

The possibility of a human rights instrument and a mechanism in the region should be seriously considered for the future. However, here again, the best interests of humans in the region should be primordial; the regional system needs to serve individuals and groups as a check-and-balance for governmental conduct. As the region often claims that it prefers a non-confrontational approach, the system may need to establish conciliatory mechanisms prior to more adjudicatory mechanisms. The system would also need to be pro-active and outgoing as many people in the Asian region do not generally have access to courts and lawyers. Perhaps a series of commissioners, decentralised throughout the region, may help to render the services more available to the people at large.

In the midst of these challenges, the crunch rests with two factors: political will and money. The states and others involved in the various forms on human rights this year will have to show that their commitment is truly genuine by means of concrete, transparent and sustained action, and that the resources will be allocated both locally and internationally for improved performance on human rights. These "carrots" should not, however, obscure the "sticks" required at times to counter human rights violations.

"Neither pessimist nor optimist, but realist" will be the challenging agenda of the day.

Official: Video Producers Agree To Stop Piracy

BK3103021593 Bangkok THE NATION in English 31 Mar 93 p B2

[Text] Pirate video producers have agreed to stop producing illegal video cassettes and have started urging the government to ask the International Federation of the Phonographic Industry (IFPI) to grant master copyright licences to them, the Deputy Commerce Minister said yesterday.

Churin Laksanawisit said the producers agreed to help stop video piracy during a meeting yesterday at the Intellectual Property Rights Department between department officials, officials from the Interior Ministry and representatives of video producers, wholesalers and retailers.

However, the video producers came to the agreement only after filing a complaint saying a legitimate video trade could become a victim of monopolies, and unfair price-hikes because only a few video producers will be permitted to hold the copyright licences granted by the IFPI. To prevent this, the producers urged the government to help them in their bid to get more copyright licences from the IFPI.

Churin said another meeting about the issue, scheduled for April 2, will focus on ways to help the majority of video producers get the IFPI copyright licenses.

Asked whether the United States government is satisfied with Thailand's recent series of arrests of fake tape sellers, Churin said that if the United States sees the issue fairly, they should be content.

Churin said yesterday's meeting should be a clear sign that no illegal videos and tape-recordings will be produced in the territory.

Churin also said the government will ask the IFPI to distribute more copyright licenses for the country's video producers.

As far as the drug patent issue is concerned, Churin said the government has trouble with the United States' demand that Thailand not include private representatives from Thai drug companies in the Pharmaceutical Patent Board. According to regulations, the board must consist of, at least, three representatives from the private sector, he said.

"Private representatives should certainly come from the pharmaceutical business," said Churin.

On the issue of the United States' request for "pipeline protection" for US drugs Churin said that Thailand amended its Patent Act in September 1992, and the United States remains unsatisfied.

Churin said the government may extend the experimental period for drugs patented abroad but not yet marketed in Thailand. More time will also be allowed for drug experimentation in Thailand before being registered. The change is in line with Deputy Prime Minister Supachai Phanitchaphak's earlier statement that said, "We will be more flexible than we were".

Deputy Commerce Minister Churin Laksanawisit would not say whether the government would consider any amendments to the United States' requirements.

Churin, however, said he was confident the US government would not abolish Thailand's Generalized System Preference (GSP) privileges or retaliate with its Section 301 trade law.

Premier Calls for Balanced Economic Policy

BK3103020593 Bangkok BANGKOK POST in English 31 Mar 93 pp 13, 22

[Excerpts] Too much emphasis on high growth generally leads to damaging overheating, Prime Minister Chuan Likphai warned yesterday. Speaking to participants at a conference organised by EUROMONEY magazine, Mr Chuan said that while he has faith in the country's economic strength, a more balanced policy is needed. He said that Thailand's double-digit growth from 1988 to 1991 has been called a miracle by many, but has left many Thais overly optimistic and dependent on this "miracle economy."

He emphasised the development of democracy, an industrious private sector, regional integration and well-planned government efforts. These, he said, are the ingredients that have made him "very confident" of continued economic success into the 1990s.

"I don't believe in miracles. The prospects for the 1990s lie in fundamental strengths," he said.

The consensus among speakers at the conference was that while Thailand has the chance to lay the foundations for continued strong economic growth, this growth will not be explosive. There were about 400 participants at the conference, which was entitled: "Thailand: Prospects for growth and investment".

One speaker was Dr Twatchai Yongkittikun, executive vice president of the Thailand Development Research Institute. Dr Twatchai said: "While everyone was trying to export their way out of the debt crisis Thailand went a different way and decided to get its fiscal and monetary policies and practices in order."

Time may have proven that this strategy laid the foundations that enabled Thailand to gain substantially during an upturn in the world's economy in the latter part of the 1980s, he said.

Finance Minister Tharin Nimmanhemin appeared to follow the same type of strategy of laying the groundwork for better times. During his address he indicated that Thailand's growth is increasingly dependent on international trade, and thus economic integration "becomes the prominent business environment".

Mr Tharin emphasised the need to reduce distortion by government monetary and fiscal policies. These can disrupt economic linkages and increase costs and risks, he said. Tackling this problem "may have more significance for Thailand" than to be worrying about supply side or production shifts, to China for instance, in labour-intensive industries, he said. Thailand's main population continues to be on farms and given other traits such as the work ethic, respect for authority and quality consciousness, the validity of the shift could be seriously challenged, he said. The picture can be made less significant considering that high per capita income growth and levels in the central region creates strong demand side advantages for firms to locate here, he said.

"The basic policy of this Government is to fine-tune the recent tax reforms such as VAT [value-added tax], modernise the capital markets, further liberalise monetary and financial policies and continue to bring government external borrowing under control," he said.

While GATT, the development of other trade groups and increasing IMF influence may be speeding up the world's economic integration, what may be increasing the pace of the internationalisation of the Thai economy is regional integration. Many have high hopes for continued strong Thai economic growth and Thai firms' ability to expand into the region, he said.

Through AFTA [Asian Free Trade Area] for example, regional integration could be developed at a much faster pace.

During the conference, Prime Minister Chuan said that three growth triangle areas—South China, Indochina and Thailand and Thailand, Indonesia and Malaysia—are possible concentrated areas for growth and integration.

"Comparative advantage and economies of scale will create synergy within the region and enhance each member's well-being," he said. [passage omitted]

While the conference centred on the economic question, the effect of the May unrest on the economy and political stability, or lack of it, also attracted interest.

While some speakers focused on the age-old question of the possibility of a future coup others pointed to the availability of basic commodities as having the potential for a more profound impact on Thai political stability and level of civil unrest.

Dr Twatchai said water resources can be better managed and allocated by the Government. Farmers and orchid growers are suffering greatly from falling commodity prices and persistent drought, and they have often demonstrated their willingness to stage aggressive rallies to press for their demands. With the opposition and the military in a position to make inroads into winning the support of these groups, the Chuan Government has acted uncharacteristically fast in addressing the low commodity prices and the water crisis.

However, others have pointed to the short-sightedness of the Chuan Government.

"The current policies of asking farmers not to raise the second crop will fail, because what water continues to be available for free to farmers?" said Dr Twatchai.

What will likely happen is that farmers will invest in seeds and grow the second crop which will yield falling returns with the drought, adding to the low commodity price problems. If the situation persists, discourse from the agricultural sector may destabilise the Government. [passage omitted]

Pledges To Continue Decentralization

BK3103021393 Bangkok BANGKOK POST in English 31 Mar 93 p 22

[Text] Prime Minister Chuan Likphai yesterday pledged to continue decentralising the economy and redistributing income while maintaining Thailand's economic and political stability. He made the comments in his opening address at the conference on Thailand's prospects and opportunities, organised by EUROMONEY magazine.

Mr Chuan reminded participants at the Shangri-la Hotel that during the past three decades, Thailand enjoyed rapid economic development and growth was particularly impressive during 1988-1991 since it averaged 10.9 percent in real terms.

This rapid growth transformed the production structure, as the industrial sector at the expense of agricultural sector has gained prominence, increasing from 23.1 percent of the Gross Domestic Product in 1980 to 28.8 percent in 1991. During the same period, the agricultural share in the Gross Domestic Product declined from 20.2 percent to 13.2 percent. However, in the past few years Thailand has experienced an economic slow down, though partly attributed to the global recession, corresponds with the government effort to avoid economic overheating in favour of sustainable growth. [sentence as published]

"For this we have a modest target of about 8 percent for the next two to three years," he said.

In regard to conditions favouring the development of Thailand, Mr Chuan said the Thai society has inherent strength and resilience due to the bond provided by the monarchy. All Thais are united by their utmost devotion and respect for the monarchy, diverse ethnic, cultural and religious backgrounds. This supports the democratization process in Thailand which is gaining more and more maturity, thus providing political stability needed for unhampered economic development.

The role of private sector and the improved quality of labour force are also contributing a lot to the past development, and also the Government's roles to maintain continuity and consistency of the economic policy particularly in providing confidence not only to the Thai private sector but also international business and investors.

"The Government has also promoted the role of the private sector so as to increase the degree of competition while maintaining the stability of the whole economic system. We allow maximum functioning of the market mechanism by keeping intervention to a minimum," he noted.

Thailand, meanwhile, has the ability to overcome problems and face challenges. This could be seen from the way it has been tackling the concerns arising from rapid economic development. Among these concerns are the problems of economic concentration in the metropolitan region, the deterioration of environmental conditions, and the need to upgrade our human resource base.

"Consequently, my government has placed very high priority on the policy to decentralize economic activities to the regions, protect the environment, improve the quality of life and upgrade our human resources."

Another dynamic ingredient favourable to Thailand is the external dimension. Thailand has been increasing the depth and scope of the external relations.

Vietnam

Court Returns Guilty Verdict in 'Free Forum' Trial

BK3003145993 Hanoi VNA in English 1442 GMT 30 Mar 93

[Text] Hanoi VNA March 30—The People's Court of Ho Chi Minh City returned a verdict of subversion against Doan Viet Hoat and his accomplices at a public trial on March 29 and 30.

The court prosecution traced back the activites of this subversive group to early 1989 when Doan Viet Hoat, Pham Duc Kham and others met to discuss their plan of overthrowing the socialist regime in Vietnam. In June 1989 they set up an organisation named 'Dien Dan Tu Do' (Free Forum) headed by Hoat to work out recruitment, Le The Hien was given the charge of printing materials, and Bui The Dung supplied the means of activity.

Under the direction of Doan Viet Hoat, the group prepared the manifesto and entrusted Bui The Dung with recording it in a cassette tape. The manifesto laid down a programme of actions aimed at dissolving the National Assembly, abolishing the Constitution, dissolving the Army and finally overthrowing the administration.

From July to October 1990 they secretly put out four issues of 'Dien Dan Tu Do' and since then have continued their subversive activities until they were discovered and arrested in November 1990.

At the court, faced with hard evidences, the group pleaded guilty.

On the morning of March 30, the jury sentenced Doan Viet Hoat to 20 years in prison, Pham Duc Kham to 16 years and Nguyen Van Thuan to 12 years. The rest received prison terms ranging from eight months and twenty days to seven years of imprisonment.

Assembly Chairman Meets Counterparts in Philippines

BK3003151793 Hanoi VNA in English 1453 GMT 30 Mar 93

[Text] Hanoi VNA March 30—Chairman of the Vietnam National Assembly Nong Duc Manh met Jose De Venecia, chairman of the House of Representatives of the Philippines, in Manila on Monday during his current official visit to the republic.

In the evening the same day, Chairman Nong Duc Manh called on Chairman of the Philippine Senate Esgador J. Algarra, who later gave a reception in honour of the Vietnamese leader and his entourage. Speaking at the above-mentioned occasion, Chairman Nong Duc Manh expressed his hope that his visit would ushered in [as received] a new era in the relations between the legislative organizations and peoples of the two countries, thus making an active contribution to building Southeast Asia into a region of stability, peace, cooperation and mutual development.

He thanked the Philippine legislative organizations for their assistance to Vietnam to become a member of the Bali Conference and an observer of the ASEAN.

For their part, the chairmen of the Philippine House of Representatives and Senate highly appreciated the Vietnamese Government, National Assembly and people's efforts in the present process of renovation.

The two chairmen also unanimously agreed with Chairman Nong Duc Manh that a new era has been opened in the relations between the two National Assemblies, and they expressed their hope that these relations would be further developed.

Chairman Venecia informed the Vietnamese side of a decision by the Philippine House of Representatives to set up the Philippines-Vietnam Parliamentary Friendship Association.

In an atmosphere of goodwill and openness guests and hosts exchanged views on other issues concerning bilateral cooperation, exchange of experience, solidarity and mutual assistance, and international issues of common concern.

Chairman Nong Duc Manh invited the chairmen of the House of Representatives and the Senate of the Philippines to pay visits to Vietnam in a convenient time. The Philippine chairmen accepted the invitation with pleasure.

Pham The Duyet Discusses Hanoi Development Issues

BK3003152193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Mar 93

[Part one of interview with Pham The Duyet, secretary of the Ho Chi Minh City Party Committee, by unidentified correspondent; date, place not given—recorded]

[Text] [Correspondent] Dear comrade secretary of the capital party committee, in the next few years we will enter the 21st century. Some sources have said that the Ho Chi Minh City Party and people's committees have formulated plans to attain per capita income of $1,200 by the year 2000. What are Hanoi's plans in the same regard?

[Pham The Duyet] I am very happy to hear about Ho Chi Minh City's socioeconomic plans to attain per capita income of $1,200 by the year 2000. For the capital of Hanoi, there are some factors preventing us from fixing specific figures on per capita income. The Hanoi party organization at its 11th Congress—on the basis of the orientations of the Seventh CPV Congress' resolution—set plans to increase the gross social product by 6-7 percent and per capita income by 4.2-5.1 percent compared to the previous years. In 1992, however, the rate of increase in some areas exceeded the set targets. Gross social product, for instance, increased by more than 10 percent; local industry by 18 percent; trade, tourism, and services by twofold; and agriculture by more than 30 percent.

With this pace of development, the capital will surely fulfill targets set for 1995, and by the year 2000 there will be new, great progress in other fields attained by the capital. By that time, I believe that 30-40 percent of the current industrial enterprises will be able to shift to the new management mechanism. Many new industrial branches will emerge and be equipped with new facilities, while some major industrial complexes and processing centers will come into operation.

There will also be great progress in the trade, tourism, and services domains. I believe that by that time there will be several four- and five-star hotels in operation. Thriving businesses will be conducted at airports, seaports, and railway stations. Traders and tourists visiting Hanoi will increased many-fold compared to the present day.

The current five outlying districts of Hanoi will undergo many changes. The current efforts to build new socialist rural areas to catch up with the commodity-based economic system will undoubtedly resolve poverty faced by peasants at present. There will also be new progress in building of the infrastructure—including housing, transportation, hotels, public parks, new streets, and electric and water works projects—thereby helping the capital enter the 21st century with pride, progress, and modern facilities. This will help greatly improve the people's material and spiritual life as compared to the present time.

[Correspondent] Dear comrade, these are wonderful pictures of the capital and we will be very happy to see them in reality. However, there will be numerous difficulties in fulfilling these targets. Could you please elaborate some measures aimed at fulfilling these targets?

[Pham The Duyet] Firmly grasping resolution of the Seventh CPV Congress and that of the capital's 11th party organization congress, the Hanoi party committee has set forth eight fundamental and scientific programs which are being applied to daily life. Among them, three programs are aimed at exploiting capital sources from the people, the private sector, the provinces, foreigners, and state agencies to invest in various projects in Hanoi, thus enabling it to expand production, business, and construction activities. The program to develop the economy in the outlying districts and to build new rural areas will help us shape a new image of socialist society in which the poor exist no more while the numbers of the rich are increasing and trade and business thrive in line with the market economy.

We also attach much importance to rearranging production of state and non-state business establishments so as to create within them various effective and competent production units. Other programs of no less importance are the maintaining of political security and social order and safety; the program to create more jobs and resolve social issues of the capital; the program of building the capital, housing, and infrastructure projects; the program of revamping and renovating basic party organizations and improving the cadre-related tasks—one of the important programs to determine the success of other programs. These are fundamental measures the Hanoi party committee has formulated, and the committee is making great efforts to closely supervise their implementation to turn them into reality.

[Correspondent] Dear comrade, you just mentioned the planning and building of the capital. We often say that when our economy is better we will build Hanoi into an advanced and modern capital city. Some have said, however, that we cannot build anything we want although we have enough money because construction projects must be carried out in the framework of the general planning. In this context, do we really have any general planning at all?

[Pham The Duyet] You pay special attention to the planning and building of the capital; this is indeed the issue of prime concern to everyone. I am very glad to say that the Party Central Committee Political Bureau and the government have set guidelines for this task and we have formulated general planning for Hanoi that has been approved by the government. One thing I want to say here, however, is that although we have general planning, we still need time to formulate detailed plans to restore various old streets while developing the new ones to make them more beautiful. These are tasks that we must carry out urgently to serve the general planning. Moreover, the state policies on land and housing are not clear cut yet, while Hanoi itself has not been able to formulate appropriate policies in this regard. As a result, tasks related to implementing the general planning and building of the capital are developing complicatedly and are facing numerous difficulties. However, we are making great efforts to make public various detailed plans to develop all areas in Hanoi so as to allow the people to participate in implementing guidance for the capital and the state.

Conclusion of Interview

BK3103072393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Mar 93

[Final part of interview with Pham The Duyet, secretary of the Ho Chi Minh City party committee, by unidentified correspondent; date, place not given—recorded]

[Text] [Correspondent] Dear comrade, in our opinion, speaking of cities, it could be said that management is the second most important task after planning. We have dealt with this issue for a long time now but still have not achieved satisfactory results. So, what are the causes leading to those shortcomings and how can we overcome them?

[Pham The Duyet] Much remains to be done in Hanoi city planning and management at present. We must thoroughly understand the causes leading to those shortcomings if we are to achieve our objectives. For example, first of all, we must realize the need for this city to be renovated or even rebuilt. In the past, only a few hundred thousand people lived in the city. Now, the city population stands at as much as 1 million. In my opinion, besides organization and guidance over the implementation of economic development tasks and public order and security maintenance, the government and the Political Bureau should provide an appropriate investment capital to support Hanoi City's planning scheme. At least 15 trillion dong—or $1.5 billion—will be needed to upgrade our infrastructures, including our roads, water and power supply networks, and housing projects. This could be very expensive and the upper echelon has unanimously agreed that our problems can be resolved provided that such a fund is available. Of course, this budget must be drawn from the people, foreign investment, the state, and Hanoi City itself.

One of my major concerns is the need for the central government to help the city overcome the bad practice of various sectors and echelons of the city of doing things as they see fit. As far as the city is concerned, we pledge our determination to heighten the sense of responsibility and hold ourselves accountable to the government and people when it comes to observing set city planning and management regulations. We will adopt very practical measures to encourage the people to build more houses and step up business activities while at the same time complying with all city management regulations.

[Correspondent] Dear comrade, changes for the better in our capital city over the past several years have made everybody happy. Not a few people, however, have expressed concern or even pessimism because of the cult of a luxurious lifestyle and the spread of violence and social vices, which are gradually prevailing over the traditional healthy lifestyle of our nation. The comrade Secretariat members also share that legitimate concern of the people.

[Pham The Duyet] Well, personally, I attach the utmost importance to the campaign against criminal activities and social vices, including drug addiction, prostitution, and gambling, which constitute the most serious problems at present. We have made many efforts on those fronts and our adequate guidance has led to many effective results. As examples, we can cite achievements in getting rid of the chaos created by street vendors and in curbing criminal activities in accordance with Directive 135 of the Council of Ministers.

As I have already mentioned, because this is a very important issue, the city party committee has formulated two different programs. The first aims to secure political stability and social order and public safety. Its objectives are to curb criminal activities and keep city management in line with state laws and regulations. The second aims to resolve unemployment problems and overcome social vices in accordance with the party Central Committee's Fourth Plenum Resolutions. In our opinion, the implementation of these two programs will help us satisfactorily resolve the aforementioned problems step by step.

I am very hopeful that people in the capital city will help us in this matter. As we all know, city life is very complicated. Therefore, everyone should give a helping hand and implement city and state regulations on a voluntary basis. The spirit of self-imposed discipline must prevail in all families, city blocks, city wards, villages, and districts. Only by so doing can we satisfactorily curb criminal activities and get rid of social vices in the city. I am convinced that with high determination, we will certainly make our goals come true.

[Correspondent] Dear comrade, the Political Bureau has issued a resolution on Hanoi City reconstruction, stressing that the common responsibility for this task rests with the entire nation, especially with the ministries and sectors concerned at the central level. Through their exchanges of views with us, a number of comrades working with the central government said that, prompted by a sense of duty, they really wanted to help with that task. They, however, have remained somewhat hesitant. Comrade, could it be that something might be wrong when it comes to welcoming people's contributions?

[Pham The Duyet] It is very correct to say that the responsibility to look after the well-being of the capital city and take charge of its reconstruction rests with the ministries and sectors at the central level as well as with the entire nation as a whole. We, however, have always considered ourselves to be the first to bear responsibility before the central government in this respect. In my opinion, the concern of those comrades could be the residual impact of the old way of thinking. Personally, I have a completely different opinion. I have been in Hanoi for nearly five years now. As I see it, compared with the past, the central government and Hanoi have done a much better job when it comes to coordinating guidance over work implementation. Many comrades in charge at the Ministries of Communications and Transportation, Building, and Energy; the Post and Telegraph General Corporation; the Ministries of Education and Agriculture and Food Industry; the Colleges of Architecture, Building, and Communications; and other scientific institutions have worked hard to contribute to Hanoi City's planning and management. The good progress recorded over the past several years must be attributed to their great efforts. Of course, we always realize the need to make better use of the guidance and assistance of the central government, especially of the various ministries and sectors based in Hanoi, as well as other scientific and technical institutions. We earnestly hope that the central government and sectors will provide the capital with close guidance and assistance and join hands with the city administration and party organization in building Hanoi into a civilized, prosperous, and beautiful city with every passing day. We are convinced that with this determination, by the start of the 21st century, Hanoi will be worthy of the confidence of our people throughout the country. It is my firm belief that the central government and Hanoi will be sufficiently resolved to make those goals come true. We take into account the concern of the comrades and would like to express our frank opinion.

[Correspondent] Thank you, comrade.

Malaysian Envoy Interviewed on 'Firm' Relations

BK3103105393 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 29 Mar 93

[Interview with N. Parameswaran, Malaysian ambassador to Vietnam, by unidentified correspondent; Parameswaran in English with simultaneous translation to Vietnamese; place, date not given—recorded]

[Excerpt] [correspondent] On the 20th founding anniversary of Vietnam-Malaysia diplomatic ties, could you please evaluate the result of Malaysia-Vietnam cooperation in the past and its prospects in the future?

[Parameswaran] Looking back 20 years to 1973, I think we can look back to a time when we began our diplomatic relations on 30 March 1973. We are very proud and we can say that the relationship has been built on a firm foundation. Malaysia was close to Vietnam even before the unification of Vietnam. Since 1973, especially in the last two years, we have developed even closer relations. The prominent event was the visit of Malaysian Prime Minister Mahathir Mohamed to Vietnam and the visit of Prime Minister Vo Van Kiet to Malaysia. Those visits helped construct close relations between the peoples of the two countries. I can affirm that we now have mutual trust and it is not wrong to say that this trust is the honest sentiment of the two countries' peoples.

[Correspondent] Malaysia has similar characteristics to Vietnam. In your opinion, what practical fields can the two countries cooperate in to bring the quickest results for the two countries?

[Parameswaran] It is correct to mention the similarities of the two countries, for example in geography, history, and natural environment. This is very good for our mutual exchanges and understanding.

Malaysia did not have to suffer a long war like Vietnam had to experience. And I think the war affected your country's development. In recent years, there have been many fields that Malaysia helped Vietnam in such as economy, society, laws, and so forth.

Vietnam is studying Malaysia's experience. We are happy to share with you our experiences and finances that can help you. In the past, we have helped Vietnam train cadres in the fields of banking, finance, administration, and laws. We believe that in the near future, Vietnam will be able to catch up with other countries in the region.

Regarding economic cooperation, before 1990 Malaysian investment in Vietnam was nil. In the past three years, there have been 14 Malaysian investment projects in Vietnam with a total capital of more than $100 million.

The success of Malaysia-Vietnam cooperation can, first, count on the Malaysian oil and natural gas general company Petronas. It set up a joint venture with Petrovietnam Company to exploit oil and gas in Vung Tau and Dai Hung oil fields. Also, we can mention the joint venture between the Public Bank of Malaysia and the Investment Development Bank of Vietnam with a representative office in Hanoi and branches in Ho Chi Minh City and Da Nang in the near future. I want to mention Da Nang because an agreement to build a nearly 300-hectare industrial processing zone was signed between (Mascot) Company of Malaysia and the Da Nang People's Committee. There will be a number of Malaysians taking part in the construction and development of Da Nang. It is hoped that this will contribute to the development of central Vietnam in particular, and all of Vietnam in general. The telephone company Supura of Malaysia has introduced a new telephone system in Ho Chi Minh City and in some areas of Hanoi. We can also mention another company which opened a representative office in Hanoi. This is the Rundal Company, a company of the biggest Malaysian party at present. It plans to build a 20-story hotel in Nghi Tam of Hanoi. It is also considering other possibilities in Hanoi, including industrial processing zone projects. [passage omitted]

Boeing, Airbus Competing for SRV Market

BK3103021793 Bangkok BANGKOK POST in English 31 Mar 93 p 22

[Text] The US aircraft giant Boeing and the European consortium Airbus Industrie have stepped up a race to sell medium-size jets to Vietnam, hoping that the US trade embargo with Vietnam may soon be lifted. Sales executives of the two arch rivals have intensified visits to Vietnam and have increased discussions with Vietnam Airlines.

Boeing Commercial Airplane is offering, at the initial stage, two 767s to the airline while Airbus is matching up with two A310s, executives of the two companies confirmed.

In addition, Boeing is also trying to sell the smaller 737 jets to Vietnam Airlines for its regional services.

Though A310 is said to be made in Europe, the jet contains more than 20 percent of US-made parts, mostly navigation equipment and engines, and therefore is affected by the long-standing export restrictions imposed by the US against Vietnam.

Under the embargo, any products containing more than 10 percent of American parts cannot be sold to Vietnam.

By the two jet-makers' standards, the value of he contract they are aiming for is quite small (estimated to be about US$150 million or about 3.8 billion baht), but securing the first order from the airline may boost their chances to strike future deals which could involve the purchase of a good number of new jetliners.

Expanding its national carrier and increase air traffic links with the rest of the world form a crucial part of Vietnam's new economic reforms.

Vietnam Airlines plans to use either the 767 and A310, both with twin engines and seating capacity in the range of about 200 seats, for its planned services to Europe and other Asian destinations.

At present, the airline is leasing one 767-200ER, the long-range version of 767, from the Australian airline Ansett, a Boeing spokeswoman in Seattle told the BUSINESS POST.

The leasing is on the "wet" basis, meaning that Ansett would provide the airplane, pilots and maintenance services for the jet. The aircraft does not have the Vietnam Airlines colours but is painted white with a registration number.

Minister of Light Industry Tours Region

BK2903070093 Hanoi VNA in English 0635 GMT 29 Mar 93

[Text] Hanoi VNA March 29—Minister of Light Industry Dang Vu Chu visited Singapore, Malaysia and Thailand from March 12-22.

He was received by the Singaporean minister for trade and industry, the Malaysian minister of trade and industry and the Thai minister of industry.

Ministe Dang Vu Chu had working sessions with big industrial, trade and financial groups of Asia and the world such as Fraser and Neave, CMB, Coca Cola, Tiger, Golden Hope, Rothmans, Philip Morris, Bat and Intabex on cooperation in the production of aluminium cans, soft drinks and vegetable oil, in the planting and processing of tobacco in order to establish joint venture enterprises, and promote production cooperation and trade.

Australia

Foreign Minister Evans Leaves for Talks in U.S.

BK3103080993 Melbourne Radio Australia in English 0500 GMT 31 Mar 93

[Text] Foreign Minister Gareth Evans heads for the United States today for talks with the Clinton administration and officials of the United Nations.

Senator Evans says he wants to hold talks with the Americans on trade issues and developments in the Asia-Pacific region. He will also be talking to the UN about internal reform and peacekeeping operations.

Officials he will meet includes American secretary of state, Warren Christoper and UN secretary general, Butrus Butrus-Ghali.

New South Wales MP's Say Republic 'Inevitable'

BK3103002893 Hong Kong AFP in English 2346 GMT 30 Mar 93

[Text] Sydney, March 31 (AFP)—Members of parliament in New South Wales, Australia's most populous state, endorsed the "inevitability" of the country becoming a republic in a late-night sitting Tuesday. A motion proposed by the state's Labor opposition was passed "without dissent" in the lower house of parliament, Premier John Fahey said.

Support for the motion was so clear the numbers of MPs voting for and against were not recorded. It came amid growing support around the country for a national debate on the idea that Australia sever its constitutional ties with the British monarchy and become a republic by the year 2001. The date is the centenary of the decision by six British colonies to form a self-governing federation which has since evolved into an independent nation with Queen Elizabeth as head of state.

Support for the debate has grown since the general election on March 13, when the Labor government of Prime Minister Paul Keating—a self-proclaimed supporter of a republic—was re-elected for three years.

Fahey, a member of the conservative Liberal party which lost the federal election but retains power in four of Australia's six states, said this month that he believed a republic was inevitable, but said he opposed a parliamentary debate, saying constitutional reform should be decided by referendum. The original Labor motion was seen as an attempt to drive a wedge between Fahey and his staunchly monarchist Deputy Premier Wal Murray, who described the idea of a republic as "repugnant."

A compromise motion said parliament "endorses the premier's public statement concerning the inevitability of an Australian republic and supports community consultation and the holding of constitutional conventions as proposed by the premier prior to the consideration by the Australian people, through a referendum, of any change to the form and structure of the constitution of Australia." Fahey welcomed the vote, saying: "The fact that it was passed without dissent gives me great hope that we can engage in an orderly and sensible debate on the future of our country."

New Zealand

McKinnon, Germany's Kinkel Discuss GATT, Issues

LD3103104793 Hamburg DPA in German 0940 GMT 31 Mar 93

[Text] Wellington (DPA)—A rapid conclusion to the current round of GATT negotiations as well as the civil war in Yugoslavia formed the focus of talks today between German Foreign Minister Klaus Kinkel and his New Zealand counterpart, Don McKinnon. Kinkel had earlier arrived in the New Zealand capital Wellington from Sydney.

During the two-hour talks, McKinnon stressed that the GATT negotiations are the "number one issue" for New Zealand. He asked Kinkel to do what he can to ensure that the agricultural negotiations are not postponed any longer.

Kinkel said, according to a Foreign Ministry spokesman, that the realization and implementation of the Vance-Owen plan is the "only realistic chance" for peace in Bosnia. McKinnon occupied the rotating chairmanship of the UN Security Council until today. Kinkel said a total blockade will have to be discussed at the EC conference of foreign ministers in Luxembourg if the Bosnian Serbs do not sign the peace plan.

McKinnon and Kinkel also discussed a possible increase in the number of permanent seats on the United Nations Security Council. Kinkel stressed that Germany, the third largest contributor, has not been party to initiating the debate. In addition, the first thing in Germany is to discuss a possible amendment to the Basic Law [constitution] allowing German soldiers to participate in UN missions. McKinnon said the UN's credibility has to be maintained. The composition of the Security Council has to reflect changes in world politics, especially with regard to Asia, Africa, and Latin America, none of which are currently represented.